CUSTOMERS' PERCEPTIONS OF DIGITAL AND PERSONAL CUSTOMER SERVICE

Case: UPM Communication Papers, Finland

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Master's thesis

Visamäki Business Management and Entrepreneurship

Spring 2020

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ABSTRACT

Degree Programme in Business Management and Entrepreneurship
Visamäki

Author Erika Harjumäki **Year** 2020

Title Customers' Perceptions of Digital and Personal Customer Service. Case: UPM Communication Papers, Finland

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TIIVISTELMÄ

Tämän tutkimuksen tavoitteena oli tutkia digitaalisen ja henkilökohtaisen asiakaspalvelukanavan asiakastyytyväisyyttä ja muodostaa niihin parannusehdotuksia. Digitaaliset itsepalvelukanavat ovat muokanneet perinteisen henkilökohtaisen asiakaspalvelun kysyntää ja tarpeita. Tutkimuksen toimeksiantaja on UPM Sales Oy, joka on ollut edelläkävijänä tuomassa suomalaiseen paperiteollisuuteen myös digitaalisen palvelukanavan asiakkailleen.

Kokonaisvaltaisen asiakaskokemuksen tarkka tutkiminen on tärkeää, jotta voi löytää ja ymmärtää asiakkaiden arvoja ja tarpeita matkan varrella. Yritysten välisessä kaupassa vielä tärkeämpää on ymmärtää loppuasiakkaan tarpeet voidakseen ennakoida niitä ja tuottaa paras asiakaskokemus oikean palvelukanavan kautta. Tämä laadullinen tapaustutkimus toteutettiin puolistrukturoituina asiakashaastatteluina. Asiakastyytyväisyyttä tulisi tutkia jatkuvasti, koska asiakkaiden mielipiteet, arvot ja tarpeet ovat muuttuvia.

Digitaalinen palvelukanava koettiin helppona kanavana suorittaa päivittäisiä rutiininomaisia työtehtäviä. Henkilökohtaiseen palvelukanavaan otettiin useimmiten yhteyttä, kun tehtävässä oli jotain normaalista poikkeavaa. Johtopäätöksenä voidaan sanoa, että eri palvelukanavat eivät poissulje toisiaan vaan tukevat kokonaisvaltaista asiakaskokemusta. Siinä missä digitaalisessa palvelukanavassa tulisi pystyä suorittamaan helppoja rutiinitehtäviä nopeasti, henkilökohtaisessa palvelukanavassa tulisi olla laajaa asiantuntemusta ja kykyä ratkaista vaikeampiakin ongelmia.

Avainsanat Palvelukanavat, asiakaspalvelu, digitaalinen asiakaskokemus, asiakastyytyväisyys

Sivut 63 sivua, joista liitteitä 4 sivua

ABSTRACT

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ABSTRACT

This research was commissioned to investigate customers' perceptions of personal and digital service channels. The aim was to form an understanding of what customers were satisfied about and what improvements should be made. Digitalization has reformed traditional customer service as tasks are also guided to digital self-service platforms. The commissioner of this was UPM Sales Oy. They were one of the first companies in the Finnish paper industry to introduce a digital service channel to their customers.

Mapping customer journeys is one way to understand customer needs and values that create satisfaction. In business-to-business setup it is even more important to understand the needs of customers' customers to deliver the right service package through the most efficient service channel. This case study was conducted as semi-structured customer interviews. Customer satisfaction should be researched continuously to have up-to-date understanding how customers perceive a company.

The main findings of this research were that customers perceive the digital service channel as easy to use and a simple way to perform daily tasks. Personal customer service was much appreciated and mostly contacted with inquiries that were out of the ordinary. This suggests that the service channels complement one another and are not exclusive. Different demands were found for both service channels – where the digital service channel should handle simple tasks quickly, the personal service channel should have the expertise and capability to handle exceptions effectively and engage the customer with active listening and empathy.

Keywords service channels, customer service, digital customer experience, customer satisfaction

Pages 63 pages including appendices 4 pages

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1 INTRODUCTION

Customer relationship management and customer service have developed by the influence of three waves – technology, customer value and customer focused strategy. In the first wave customers were treated through technology and the goal was to obtain as much customer information as possible and utilize it to marketing and operative sales. In the second wave value generation and customer focus were acknowledged as a part of successful customer relationship management. These values were not connected to profit or business strategy which made it difficult to connect the costs of customer relationship management to company success. (Ala-Mutka & Talvela, 2004, pp. 20–21)

In the third wave, customer relationship goals were generated from business strategy. The chosen business strategy determined where company resources were targeted. Actions are directed with modern technology which helps to connect financial figures with customer relationship management goals. With visible goals it is easier to determine and evaluate success which helps to make related investment decisions. (Ala-Mutka & Talvela, 2004, p. 21) The research of Hutt & Speh (2010, pp. 106–107) concur with this stating that generating profitable business means selecting the right customers. This requires a clear understanding of customer needs, costs to fulfill them and an accurate forecast of future business potential. Even a profitable business might not make sense if the volumes are low whereas for larger volumes the profit can be smaller on a single purchase as on the bigger scale it constitutes a more substantial profit.

Right selection of customers managed efficiently with the help of information technology is not enough if the customers are not satisfied. According to Goodman (2009, p. 6) and Goldstein (2009, pp. 6–7) customers do not complain but easily take their business elsewhere. Therefore, customer satisfaction should be researched frequently, and the results should be displayed to the whole organization, especially to frontline customer service representatives (Markey, Reichheld & Dullweber, 2010). Intensive competition situation requires developed technological solutions to provide information to guide business operations (Ala-Mutka & Talvela, 2004, p. 24). Lafley & Martin (2017, p. 54) believe that in today's world of infinite communication and innovation, building up cumulative advantage over familiarity is important to gain competitive advantage.

1.1 Age of disruption and customer service

Pressure of digitalization is forcing businesses to focus on integrating digital technologies to everyday services. According to a study by Schwertner (2017, pp. 388–390) companies that have a critical focus on digital structures like cloud, mobile and social technologies will soon be more profitable on average and have higher revenues. Customers have endless online opportunities to compare and make purchases and how companies react to their consumer online behavior is important to convert interest and opportunities into sales (Bommel, Edelman & Ungerman, n.d.). Schwertner (2017, p. 389) also reported that there are risks associated with increased digitalization such as data security, coherency of use with other IT systems and lack of control.

Digitalization has changed the channels businesses use to operate and thus it has also affected the paper manufacturing industry. The ongoing break of media means that consumers are more focused on mobile applications and other digital supplements rather than printed sources. In the year 2016 the total share of printed media was only 13% of all the media use in Finland. Consequently, the value of daily newspaper business in Finland decreased by 2,8% between the years 2015 and 2016. When inspecting the break of media on a longer timeframe already from the year 1997 electronic communication has slowly taken share from edited publications in total roughly 15 percentage points by the year 2016. (Suomen Virallinen Tilasto, 2017a)

1.2 UPM-Kymmene Oyj and the paper industry in Finland

UPM-Kymmene Oyj, hereafter UPM, is one of the biggest forest industry companies in the world. The operations started already in the 1870s and through mergers with other paper industry companies the currently known UPM started its operations in 1996. (UPM, 2015) The corporation is divided into six business areas – UPM Plywood, UPM Communication Papers, UPM Specialty Papers, UPM Raflatac, UPM Energy and UPM Biorefining. Different business areas support each other utilizing for example the side products of paper manufacturing to generate new biochemical products or bio composites. The whole strategy and vision of UPM is to be the BioFore company which puts an emphasis to integrate bio and forest industry to develop new high-quality, sustainable materials. All business areas support this methodology even though each of the units have their own unique business strategy. (UPM, 2018)

There are three different values of UPM that guide their operations – *trust and be trusted, achieve together* and *renew with courage*. The values emphasize sustainability and ethical choices to direct decision-making into considering the environment and surrounding communities. There is a strong focus on employees being a part of the professional community and being empowered to share ideas and renew existing processes. (UPM, 2020)

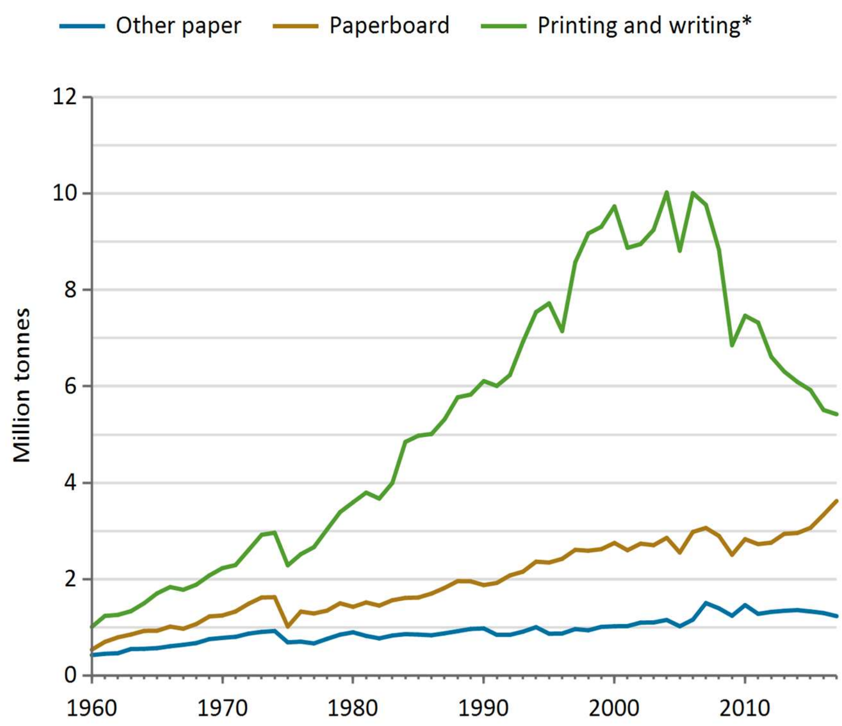

Figure 1. *Paper production in Finland. *including newsprint (Metsäteollisuus ry, 2018)*

The paper business in UPM is divided around the world having sales on six continents and production sites in 13 countries. As paper demand has decreased over the years UPM, and competitors, have had to bring down manufacturing sites to better match supply with demand. Some 80 years ago business challenges were very different from today. The most important thing was to build up production to match demand when compared to today's manufacturers who are in constant pressure to cut down production and build meaningful, unique and long-term customer relationships. According to Metsäteollisuus ry (2018) paper production increased steadily from the 60's until the year 2000 when fluctuation started as illustrated in figure 1 with the green line. From the year 2006 a permanent decreasing trend continued until 2016 cutting down over 43% of production capacity in Finnish paper manufacturing industry. In the year 2017 the total manufacturing capacity was 6,6million tons, excluding cardboard production.

1.2.1 UPM Communication Papers

One of the six business areas in UPM is called UPM Communication Papers which is the world's leading graphic paper manufacturer. The paper products vary from advertising to publications as well as from home to office end-uses. The core of the business is to offer socially and environmentally responsible solutions. This business unit employs some 8000 people and their head office is in Germany. They actively take part to local communities and support their staff's development. (UPM, 2019a)

UPM Communication papers has 15 paper mills across Europe and various sales offices close to the customer locations. One customer service team which consists of 28 customer service specialists is in Tampere. They handle diverse customer needs in the Nordics and overseas. UPM's customers in Finland receive services from Tampere as well, having a sub-team of ten customer service specialists, concentrating on the unique needs of Finnish customers. The customers are operating in diverse business areas from magazines to newspapers and office supplies. (UPM, 2019a)

1.2.2 E-service solutions in UPM

Digitalization does not only put pressure on the paper demand but also to the way services are offered to customers. UPM has been a digital pioneer in the paper industry with a range of online tools, which no competitor has matched. The services started with an online platform called Customer Online, COL, where customers can review their stock levels and see their current order status from order confirmations to deliveries and invoices. (UPM, 2019b)

UPM recently introduced a new innovative solution which enables customers to purchase paper any time and any place. This new tool is called the eOrder and it is a part of the COL platform. The eOrder offers a catalogue of available paper products from which a customer can simply select the product, quantity and delivery date and submit the order. The system is integrated with UPM's internally used SAP, so the customer order is flowing directly through allowing instantaneous order processing and confirmation. The interlinkage between the information technologies guarantees reliable, real-time feedback about UPM's order fulfilment capabilities. "With eOrder, UPM is able to guarantee its promise to the customer from the very moment the order is placed – with unprecedented speed, transparency and convenience" (UPM 2019b). The tool was launched first with pilot customers to further investigate and improve it based on received feedback from the real industry customers. After the tool had been further developed it was fully externally rolled out in the beginning of 2017. (UPM, 2019b)

The usage of COL is reported in an internal reporting tool, Oracle Business Intelligence platform – these statistics show that Finnish customers are very active users of COL. At best the most active users in Finland are having more than 1000 hits and clicks a month. The five most active customers have every month roughly 600 clicks and hits in COL. The number of hits has some positive correlation with invoiced tons. However, the hits are distributed across different modules in COL, some customers using only the order module, whereas others are utilizing the full range of available modules. (Oracle Business Intelligence, 2019) Even though the usage of COL and especially eOrder is growing rapidly the intention is not to move all business to online platform. Repetitive, routine tasks can be moved to automated self-service channels which allows sales and customer service teams to spend more time to offer more personalized and better services. (UPM, 2019b)

Gradually UPM is introducing and supporting the use of online self-service tools to all customers. Future development ideas concentrate on mobility services, such as mobile apps, and the use of artificial intelligence or robotization to help in daily customer service. UPM is all the time looking for improved ways of connecting with customers and even the need for an online chat tool is being investigated. (UPM, 2019b)

1.3 Research background and objectives

This research concentrated on UPM Communication Papers business area and specifically their customers located in Finland. The daily customer service for this target group is handled at UPM's supply chain center in Tampere operating under UPM Sales Oy, which was also the commissioning organization for this research. In total there were ten customers and respective four customer service specialists selected for the research scope. This research was conducted as a case study since there is clear, detailed focus on specific company customers, customer service specialists and on the digital service platform developed and offered only by this company.

The objective of this research was to find out how the selected customers see UPM's digital service offering compared to personal customer service and what improvements could be made to both service channels to reach better customer experience. The findings were analyzed to identify which efforts customer service could do and how the online channel could be improved to increase customer satisfaction. The research question was thus defined as

> What are customers' perceptions of UPM Communication Paper's different service channels and how the service channels could be improved?

Objectives of the research were to find out how customers perceive the value of personal customer service and what sort of value added it brings to their business. The same aspects were investigated also for digital customer service channels and one objective was to compare the results together. Sub-objectives of the research were formulated as

- How customers value personal customer service experience versus self-service in a digital channel?
- What are the different drivers why customers choose a certain service channel?
- How these service channels could be improved and how customer service team could support online customer experience?

1.4 Key concepts

The key concepts of this thesis research start with concepts of customer service and service channels. Customer segment can be one basis for directing customers to different service channels (Ala-Mutka & Talvela, 2004, p. 49). Segmentation is thus briefly introduced in the research to give an understanding how it could affect service channel decisions. In this thesis work the service channels are discussed on two different levels, personal and digital customer service. The commissioning organization has defined these two service channels as the corner stones of their interest which is why they are in the focal point throughout the research report. According to Goldstein (2009, p. 6) personal customer service is an important generator of customer loyalty as thus should not be ignored even though digitalization is bringing the advantages of self-service channels.

The report will continue to discuss what sort of value each channel can provide to the customer and how to keep the customers satisfied. According to Teixeira (2019) businesses should focus to research customer needs and wants to identify how their services can best satisfy customers. A need has been defined by Dorner, Gorman & Calvert (2015, pp. 3–4) as the difference between present and wanted stage of affairs. To further understand customer satisfaction and how to improve it in different service channels the concepts of customer experience, customer value anticipation and customer engagement and loyalty are discussed. Goldstein (2009, p.28) describes customer satisfaction as merely a feeling but customer loyalty as a behavior that leads to actions. The concepts are intertwined and linked with how companies can understand and fulfill customer needs. It is important to understand these concepts to be able to answer the research question set for this thesis research.

Customer service is a corner stone through the report with a slighter emphasis on digital channels as indicated by the commissioning organization. Digital customer service and online service channels' use is increasing in UPM and customers' experience of the digital channels is another key concept in this research. Further, the generation of customer experience and customer value online is essential part of this study with emphasis on generating exceptional customer value and customer engagement. It is emphasized by Hayes (2008, p. 2) that knowing and understanding how customer value is created and what increases customer engagement is key in making profitable business.

1.5 Methodological choices

The empirical study of this research concentrated only on specific UPM Communication Papers' customers and service channels which is a typical feature of a case study. The chosen research method to investigate the phenomenon was a qualitative research method conducted as a semi-structured interview. Research reliability and validity are a key concern in this type of research which is why these are discussed in terms of the research method and topic. The research started with desk studies on existing theories, UPM's analytics about customer behavior in their online service channel and a previous customer satisfaction interview.

The first objective of the thesis is to understand how customers' value different service channels, to support this a theory of customer value anticipation was studied as well as theories about different service channel strategies. To further question the drivers behind service channel selection, theories of customer needs and expectations were researched. Customer satisfaction theories play a center role throughout the research and especially when investigating what could be improved it is important to understand what customers are not satisfied about.

Furthermore, it is as important to gain knowledge what customers are already satisfied about to understand what UPM should continue doing and offering. Final objective of this research was to understand if customer service representatives could support customer online experience and for that respective theories were studied. Once the knowledge base was adequate an interview template was formulated and reviewed together with the commissioning organization.

2 DIGITAL AND PERSONAL CUSTOMER SERVICE

Customer service is undergoing a change as services are gradually shifting from personal interfaces to digital solutions. Often it is thought that technology is the driver for this change however a research by Teixeira (2019) indicate that the disruption is led by customers. Anna Irniger (2019) further states that in this era of disruption customer behaviors have changed – there are customers who want to see and know all related data to their purchases, customers who always expect the most capable service person to attend to their needs, customers who expect service to be available all the time with no waiting time and customers who prefer to address their problems on their own through self-service channels. Different customer types require different service approaches and service channels to keep them satisfied.

Offering a service through customer's preferred service channel can generate true value and increase customer satisfaction. The whole service package is key to generate customer satisfaction. Service package can be thought of as "the product dimension of service, including decisions about the essential concept of service, the range of services provided, and the quality and level of service" (Hutt & Speh, 2010, p. 272). The research by Teixeira (2019) concurs that customers are the ones accepting or rejecting new technologies and businesses should focus on customer needs and wants to find out the activities in customers' value chain where their product or service could resolve a need and generate satisfaction.

The amount of data that is available is enabling self-service channels the possibility to behave more like a personal service channel for example making offers or suggestions based on previous customer behavior, like an activity watch telling us to jog another 30minutes to stay fit. Same behavior is expected in business; anticipation of needs, performance follow-up and history reviewal. By collecting customer satisfaction data companies can understand how customers perceive their company, if the services meet their expectations, identify points to improve and improve understanding of customer priorities (Hill, Birerley & MacDougall, 2017, pp. 4–5). To enable service personnel to be the best they can, they need to have all customer data available during customer contact (Anna Irniger, 2019). Offering fast, competent service that fulfills customer needs can generate true satisfaction and according to Hill et al. (2017, pp. 4–5) customer satisfaction is directly linked with customer loyalty.

In the next chapters the different service channel approaches are discussed more deeply. The channel selection is discussed in relation to customer satisfaction as different types of customers require a different service channel to keep them satisfied as the customer types by Irniger (2009) suggest. Furthermore, the management of customer perception is investigated – what are customer values, how they can be met and exceeded and what is the source of true customer engagement. To conclude this chapter the researcher combined all learnings to form an understanding what creates customer service excellence.

2.1 Service channel strategies

In this research services through personal and digital service channel are investigated. According to Ala-Mutka and Talvela (2004, pp. 52–23) companies should first do customer segmenting as it helps to plan and execute business operations like defining related service channels for each segment. Lindgreen, Palmer, Vanhamme & Wouters (2006, p. 7) agree that customer segmenting is a useful way to separate customers and determine the actions a company wants and needs to do to add value to the goods and services. Analysing customer segmenting information and connecting it to business operations is about connecting different viewpoints, for example connecting customer loyalty with customer purchasing behaviour or customer lifecycle and values. (Ala-Mutka & Talvela, 2004, pp. 57–58) Accurate sales forecasts are one of the most significant yet also most difficult aspects in the customer analysis as they should guide operations and service offering (Hutt & Speh, 2010, p. 123).

After defining customer segments, it is easier for companies to decide the respective service channels. Service channel refers to the customer interface and how it is handled, either with named or unnamed customer contacts from sales and customer service or through digital self-service channels. Technology and information systems are a key element in customer relationship management, as they enable organizations to differentiate customers and offer personalized customer interactions through different, selected service channels (Fjermestad & Robertson, 2006, p. 4). According to Ala-Mutka & Talvela (2004, pp. 74–77) segments with many customers are usually handled through service centers and very commonly customers with big potential receive a named contact or even the services of a specific team. Offering services through many channels does not always increase opportunities or accessibility as it also includes risks if the different channels are not functionally integrated.

When selecting the right service channels for a customer it is important to find a right balance between digital and personal customer service. According to a McKinsey survey lack of speed in interactions was one aspect that emerged the most in business-to-business markets. Company quotes might require long and complicated forms with little or no follow-up possibilities for the customer. (Maechler, Poenaru, von Collenger & Schulze, 2017)

In business to business environment personal sales plays an important role. Sales situations usually escalate to personal when there is one, named contact for the customer. This can be a risk for the company as the sales volumes are linked with the person and not necessarily with the company. Customer services can be arranged in different ways depending on the status of the customer for the company. If the customer has a great influence on company's financial performance and success it is worthwhile to move to key account operating model. Key account management is a very common operating model and requires different kind of communication compared to other customer segments. The aim is to form long-term, loyal customer relationships by offering tailormade solutions. Key account managers need wide expertise, experience and leadership skills as they are directing the purchases of a very strategic partnership that has an essential role to company's performance. Understanding the customer and finding matching personal chemistry as well as being able to predict future customer needs are qualities of a good key account manager. Customer information is often on a personal level and needs to be shared across the team and organization. (Ala-Mutka & Talvela, 2004, pp. 78–79)

Usually services in customer service centers are handled in teams and there is no specific person responsible for the services of one customer. Unifying processes means that the service experience and situation is good, consistent and efficient with the help of technology. Centralized operations generate cost efficiency and offers the opportunity for standardized service level through all service channels. Multichannel service center can operate with phones, faxes, email, multimedia and online technologies and all the channels should be integrated to operative systems like customer relationship management tools or enterprise resource planning, ERP, tools. (Ala-Mutka & Talvela, 2004, pp. 80–82) The key advantage of a service center is that information can be easily shared with colleagues to ensure good quality customer service. The research by Markey et al. (2010) also emphasizes the sharing of customer feedback to frontline customer service teams to help them understand and predict customer behavior.

2.1.1 Personal customer service

All interfaces next to customer are a part and subject to customer relationship management, which focuses on the customer and tries to manage, measure and optimize their interactions with the company through various channels. The final aim is to identify valuable customers and find ways to motivate them into being loyal, long-term partnerships. (Fjermestad & Robertson, 2006, p. 4) To generate long-term partnerships a company needs to be able to offer a product or a service that satisfies customer's needs and exceeds their expectations. According to Hill, Birerley and MacDougall (2017, p. 2) customers have a huge selection of high-quality products and services at competitive prices and suppliers need to work increasingly hard through different channels to meet customer requirements. The same applies for the paper industry where paper manufacturers' customers are in a market of oversupply of materials but in an atmosphere of decreasing demand for their products. Personal customer service needs to be aware of the actions defined by customer relationship management to be able to infuse those ideas into their way of working. Strategies are not efficient if not communicated and explained what is expected of all relevant parties.

Markey et al. (2010) clearly state that all feedback received from customers should be communicated to the all personal customer contacts to make most use of it. This means that the daily contacts such as the customer service personnel in case of UPM would need to be made aware of the feedback received from customer satisfaction surveys, sales negotiations and customer visits. The feedback loop should be continuous and a two-way street meaning that the daily customer service contacts should be able to share their insights with sales as well. Personal contacts already have the customer experience information and details from daily business and can help to improve the processes. The more employees are a part of the processes the more committed and engaged they should be with the set strategic goals. To really reinforce a continuous feedback loop within and outside the organization requires organization culture reinforcement and leadership examples in the organization.

Organization culture plays an important role in organizational success and is considered as the foundation of any initiative. If a team's focus is to deliver exceptional customer service, then they should have an innovative open culture. Culture is defined as how an organization thinks, feels and works together to achieve a goal. In customer service function the specialists should listen to customers and pass on any information that is needed to improve the company's performance. Building a right culture starts with the right focus and according to Webb, Machlis & Webb (2018, p. 209) the focus should be external. In company point-of view this means the personal customer contacts should focus on their customers with empathy, compassion and interest in fulfilling their needs. Reaching service level beyond expectations will be a gratifying experience for both parties. (Webb et al., 2018, pp. 207–210) If the organization culture is too risk-centered it can negatively influence and even prohibit customer care as employees might be afraid of failure or the consequences of breaking a rule.

Goldstein (2009, p. 6) states that to gain superior customer satisfaction and loyalty companies should consider superior customer service as a priority for investment. The same is depicted by Goodman (2009, p. 16) emphasizing that a strategic view on customer service means not seeing it as a part of the cost structure to minimize but as a competitive differentiator that needs investments. Customer service can have a true impact on company's financial performance. Keeping a current customer is cheaper than winning new ones which means that paying attention to customer service and attending to customer complaints is worthwhile. (Goodman, 2009, p. 18)

According to Dixon, Ponomareff, Turner & DeLisi (2017, p. 112) across industries 81% of customers choose a self-service channel. This means customers want to handle the simpler issues on their own through online channels and turn to personal customer service with issues they are not able to handle on their own. This means that these supporting functions are nowadays handling more complex problems and need to have proper knowledge to solve them. The increasing trend to invest in self-service technologies has resulted in underinvestment in customer service. It is not a good combination to have an irritated customer, who has lost time trying to figure out a solution by themselves calling an ill-equipped or under trained customer service representative. One VP in the study by Dixon et al. (2017, p. 113) stated that customers are not calling because they want to, but because they have to.

The research by Dixon et al. (2017, p. 115) found out that customer service representatives that deliver fast, easy service and have personalities that demonstrate their strong expertise are considered to deliver best results. These types are usually opinionated, vocal, not afraid to take charge and deliver clear guidance. However, the study emphasizes that the important feature of successful customer service representative is to treat the customer as an individual and customize the interaction accordingly. Important is to find out what customer has already tried to do on their own and not to repeat the same pattern of steps read from a paper slip. Important is to offer a description of the fastest resolution as well as to anticipate and resolve potential additional problems. (Dixon et al., 2017, pp. 115–116)

It can be very frustrating for a customer if the need to go through to a call-tree to get in touch with a customer service representative and even more so if they start to be bounced between departments to find a contact who could help. To tackle this T-Mobile decided to build cross-functional customer service teams dedicated to named set of customers. The team consist of a wide range of experts that can support in most difficult situations but, in those cases, also the customer representative is left online to learn how to solve the matter in the future. The teams collaborate, share best practices actively to learn more about the complex customer issues. (Dixon, 2018, pp. 84–87) This working together to succeed mentality increases teamwork, creative solutions and increases engagement. One of the values of UPM (2020) is *achieve together* which means there is an emphasis on employees feeling as a part of the professional community through encouraging active participation and multi-channel communication across the organization.

Goodman (2009, p. 25) has presented an idea for customer service, which is called “do it right the first time”, DIRFT. Companies need to be committed to consistently meet customer needs and expectations. It is easier to generate one very good experience rather than creating a great experience flow. Understanding and meeting customers’ true needs and expectations builds brand equity. In Goodman’s (2009, p. 34) research of current customer expectations, five trends were recognized: “clear brand promise and consistent delivery, low expectations and reluctance to complain, immediate resolution of problems, genuine empathy when things go wrong, recognition and knowledge of the customer”.

Customer relationship lifecycle is not always straightforward. In steady business and with companies that have a wide range of products can acquire and loose customer orders continuously. According to Ala-Mutka and Talvela (2004, p. 61) it is important in these instances to concentrate on the strength of the partnership by evaluating customer share and supplier position. In long-term relationships the change can also be initiated by a change of contact person – a new approach in sales or purchasing can set even a long relationship back to the starting point.

2.1.2 Digital customer service

Companies should be aware of what customers value to be able to sell more and hold digital customer service as a part of the customer value chain creation. However, valuations change, and managers should be able to predict and anticipate the changing customer desires (Flint, Blocker & Boutin, 2010). Creating value online is not always easy as online channels are available to everyone and each customer values different functions or visual aspects. It is not possible to please everyone, but it is important to understand how to please the right customers, the most valuable or important customer segments. According to Maechler, Sahni, & van Oostrum (2016) digitalization is creating a demand, a new standard for fast, seamless, real-time and easy-to-use customer service which has migrated to business-to-business customer demands as well.

Effective online presence means that the online content is relevant for their intended audience and delivers results for the company. To deliver relevant content companies should constantly consult and study their customers to meet their needs and expectations. (Chaffey, Ellis-Chadwik, Mayer & Johnston, 2009, p. 387) According to Bommel et al. (n.d.) digital tools and standards are rapidly changing and taking full use of multiplatform marketing means discovering customers’ previous experience, focus on a compelling design and to deliver a service that is supported by experts. Understanding who the customer is, how they operate through e-services, how the marketplace works and how competitors are doing need to be continuously researched to monitor and evolve digital customer service. Customers need a site that downloads quickly, is well-structured and easy to navigate. (Chaffey et al., 2009, p. 387)

Online customer service requires delivering of rational and emotional values and achieving the promised experience based on these values. Emotional connection can be researched by asking customers if they feel connected to the company personnel and if they feel they are being understood. According to Chaffey et al. (2009, pp. pp. 387–389) the digital service experience is affected by many practical issues, so called success factors, as illustrated in figure 2. Digital service experience can be researched by questioning the navigation easiness and if needed information was found without delays. The figure illustrates all the factors related with using a website, from design to performance, but online customer experience includes also how well the website is found, quality of outbound communication and inbound customer emails and how everything relates to the company's offline communication.

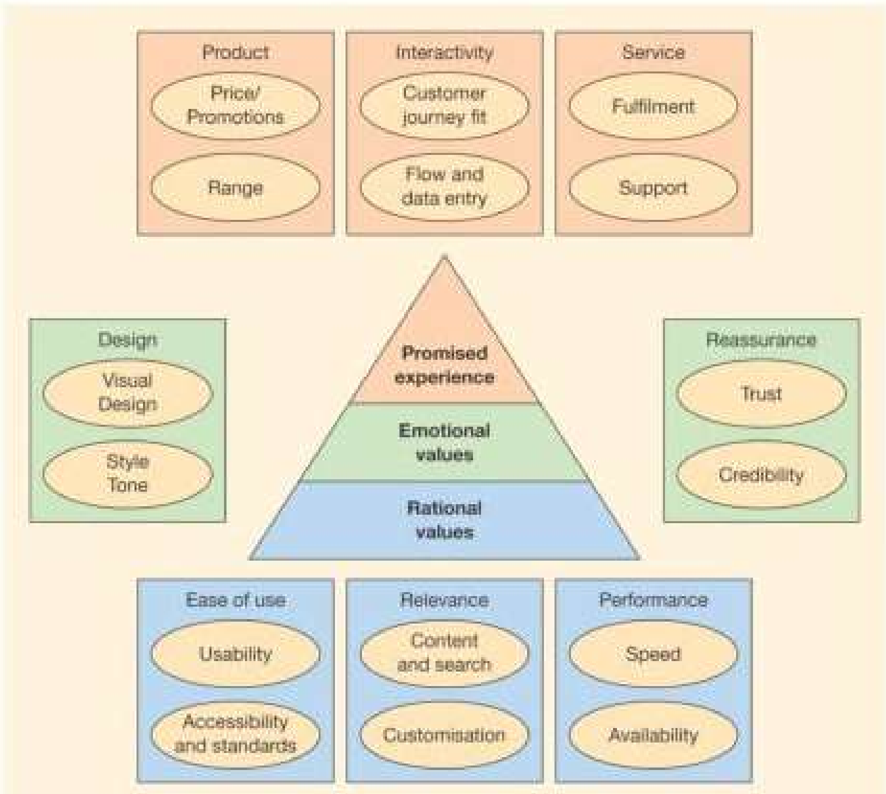

Figure 2. *The digital customer experience pyramid – success factors (Chaffey et al., 2009, p. 388)*

As the world is turning digital, people have begun to expect everything to work as quickly and successfully as text messages or emails. Many interactions are already performed digitally from increasing number of social networks, mobile connectivity to all other digital experiences from movies, books and music streamed online to the vast internet of things. By embracing the digital connectivity companies can reach more customers especially if they adopt the direct and personal way of communication in social media. (Webb et al., 2011, pp. 7–9)

People are connecting and sharing content also on professional network platforms like LinkedIn which has already more than 575 million members worldwide according to Microsoft's 2018 annual report. And this is only one of the social media platforms where customers are talking and sharing opinions about companies and user experiences. According to Webb et al. (2011, p. 18) a shared negative experience online can have a greater effect on company image compared to a shared positive experience. It is important for companies to constantly monitor how well their digital customer service is performing to understand what features are needed and what is or is not working. It might not be easy for customers to report about received bad digital customer service.

Creating digital customer service starts with webpage design. This research will not go into coding and information technology features of design however the whole process plays an important role in creating digital customer experience. First the needs of intended audience should be researched to provide meaningful content. Based on the research a structured plan and a careful design should be made as these together will create a satisfactory user experience. (Chaffey et al., 2009, pp. 391, 394-395) Involving stakeholders from many interfaces in the planning, testing and retesting phases is important to deliver a satisfactory product. For example, customer service specialists have unrecorded user experience which can help in tool development.

There are few key elements to successful websites and those are website performance, usability and accessibility. Performance refers to the time it takes to deliver a page to the user after clicking a hyperlink. Usability can be observed by performing representative or typical tasks using the system. The aim is to complete the task effectively and efficiently. As business imperative webpage accessibility with mobiles, different browsers, search engines are very important and to some extent also directed by law. Legislation is in place to protect the rights and possibilities of use for disabled users such as the visually impaired. (Chaffey et al., 2009, pp. 398-402)

A good user experience means that a customer will revisit a website, but a good design is defined by many factors such as clear structure, menu choices, searching possibilities and more intangible factors such as graphical design. One of the most important reasons to revisit a site is high-quality content. Developing customer-oriented content emphasizes the analysis stages of developing a webpage as the company needs to know who their most important users are, what information they are looking for, what is their purpose for visiting the site and how they want to use the information or which browser and screen size they are using. (Chaffey et al., 2009, pp. 411-413, 431)

An increasing amount of companies are using mobile technologies to provide services and who could blame them. Smartphones are in active, private use as over 80% of 16–89-year old's in Finland in the year 2018 are using a smartphone which is 24%points larger than only five years earlier (Suomen Virallinen Tilasto, 2018). That includes students, businessmen, stay-at-home moms and people from every walks of life. Already connectivity from mobiles has increased to other devices creating the internet of things. It is important to pay attention to the mobility needs when designing digital customer service concept. The research by Zahay (2015, p. 97) agrees that consumers are more and more using tablets for online shopping as they were thought to be more convenient to use and outperforming mobile devices. However, according to the statistics by Suomen Virallinen Tilasto (2017b) the usage of internet on tablets had slightly reduced on all age groups in Finland when comparing usage in years 2015 and 2017. Moreover, the usage of smartphones for same purposes had increased and was more than doubled compared to tablet use. Based on this, one could argue that smartphones are preferred compared to tablets and companies should prefer that channel for communication to avoid a marketing mismatch.

2.1.3 Customer segmenting and service channels

Customer segmenting is not a new revolution in business and is commonly used as a part of customer relationship management, CRM. One very used customer segmenting tool, the Boston Consulting Group's growth-share matrix, was published already in the early 1970's (Reeves, Moose & Venema, 2014). Customer segmenting is a useful way to separate customers and determine the actions a company wants and needs to do. CRM builds up relationships that will add value to the goods and services in each customer segment (Lindgreen et al., 2006, p. 7). For many years paper products have been on high demand based on the increase of manufacturing capacity illustrated in figure 1 (see page 3), and companies have been able to choose their customers. However, under the changing demand over the past ten years paper manufacturing companies have been forced to tighten their cost structure, reduce tailor made products and focus on profitable business.

The goal of customer segmenting is to connect and compromise the outside and inside views which means diverse customer needs and differentiative factors with company operations and gained benefits. In rough terms the outside view means sales volumes and profitability. Earlier it was believed that customer satisfaction and needs fulfillment were most important factors, however it has been recognized that happy customers are not enough if they are not profitable. (Ala-Mutka & Talvela, 2004, pp. 49, 70) Earlier many business-to-business services and products were tailored and customized for their specific use which increased customer satisfaction. However, the costs of offering a wide selection of customized items is expensive and can lower company profits. (Hutt & Speh, 2010, p. 99)

The process of segmenting requires help and assistance from the key people that are interacting with customers daily. They have the in-depth, personal knowledge of the customer which is normally not maintained in any IT system. Segmenting requires thorough work and time, starting from dividing information into smaller pieces and then reconnecting common information based on specific factors. Different views need to play a role to reach efficient segmenting, for example customer profitability, loyalty and customer lifecycle should all be included. (Ala-Mutka & Talvela, 2004, pp. 54–55)

Customer segments can be divided based on customer information like basic information, purchasing behavior, situational variables and personal variables. Basic information is easily accessible facts about a company like size and location. It can also include information about customers products, production technology, capacity and industry. This type of information should be easily found and identified. (Ala-Mutka & Talvela, 2004, pp. 55–56, 70) Basic customer information in UPM is maintained to include these factors and especially the industry a company is working in plays a role in operational decisions.

Often CRM processes are used to help in customer segmenting and CRM tools offer help in building customer profiles with different treatments per segment, for example personalized communication. This can significantly improve the success of customer relationship management. Assessing relationships and their stages is however very difficult and CRM tools, like salesforce, can be of big help in these processes. (Zahay, 2015, pp. 94; Lindgreen, Palmer, Vanhamme & Wouters, 2006, p. 7)

The final test for customer segmenting is when different approaches and styles of customer service and sales are defined based on customer segments. If for example price is the determining factor for a purchase decision in one customer segment, volumes can make the business profitable either by one customer buying a lot or multiple customers totaling up to a bigger volume that supports lower prices. The sales decisions for segments that buy big volumes are usually handled by sales managers as they need to take responsibility over the outcome and have power to make decisions. Whereas a segment with customers that make their decision only on the best available price are handled through service centers. Customers that respect the contracts with a few suppliers instead of a wide range of suppliers should receive most effort. (Ala-Mutka & Talvela, 2004, pp. 58–59)

Ala-Mutka & Talvela (2004, p. 60) admit that it is never simple to make decisions about the basis of segmenting, but it is important to continue with one selection up till a test, like a value chain analysis, is made and adjust after that if needed. Effective segmenting is the basis for making a successful marketing strategy because the values, needs and characteristics in each segment predefine what actions can and should be taken on the marketing and sales side. Understanding purchasing behavior is key in defining the elements in a marketing mix which will be critical in satisfying the customer, landing a sale and ensuring long-term customer relationship. (Hutt & Speh, 2010, p. 125).

2.2 Managing customer perception

Companies need to always improve, not only in their own organizational processes but also in their customer relationships. According to Hayes (2008, p. 2) knowledge of customer's perceptions and attitudes will enhance a company's chances to make profitable business. Customer satisfaction is affected by many different attributes and finding the most important ones to specific customers allows companies to target them with correct efforts. Customer satisfaction and loyalty can be greatly improved if a company is able to identify a customer dissatisfaction and improve it. The only way to know for sure if an attribute is important for a customer is to ask it. (Goldstein, 2009, pp. 6, 16)

Different customer segment and operational models should also be considered when collecting customer information. Customer satisfaction system refers to a systematic way of collecting, saving and refining of customer feedback with a customer centric view. Customer feedback is collected from each segment forming an entity emphasizing specific factors for each segment. Channels to collect information from are used depending on the problem for example online solutions are a fast way to collect data but more qualitative data can be gathered with interviews. Also, the right analyzing methods should be chosen depending on the information and its use. (Ala-Mutka & Talvela, 2004, pp. 113, 115)

It is important to concentrate and investigate customer satisfaction as it affects company revenues. According to a study by Goldstein (2009, pp. 6–7) in an example case 80% of customers do not complain when they are dissatisfied and over half of these customers exit the company. Whereas, if the customer complains and a company succeeds in resolving the matter quickly there is a 95% chance to keep the customer. If companies can encourage 50% of dissatisfied customers to complain, there is a chance to retain 1,5 times more customers. In today's competitive business environment, it is easy for individual customers to go unnoticed and if they are dissatisfied to switch to competition.

According to Goodman (2009, p. 17) customers do not complain as they feel it won't make a difference, they do not know where to complain or they are afraid of punishment. Goodman further describes that customers who complain are usually more loyal to the company. Loyal customers are usually most profitable for a company either in their purchases or positive marketing they create which is a greater reason to try and solve their dissatisfaction. Further on Goldstein (2009, p. 15) explains that companies will not be able to satisfy all customers as the needs are diverse. With customer satisfaction surveys the goal is to increase the amount of customers companies are able to satisfy. It is important to keep continuous improvement as an organizational goal as knowing what is important to customers enables the creation of customer satisfaction.

2.2.1 Customer experience

Customer experience can be defined as the "…difference between what someone expected versus what they got throughout the experience cycle" (Webb et al., 2011, p. 22). Customers might not be consciously comparing their experiences but intuitively guided by feelings. According to Bommel et al. (n.d.) delivering perfect cross-channel experience means offering targeted, just-in-time products and services with the help of digital channels. The digital and physical customer environment is changing and becoming closer and closer integrated for example with the help of internet-of-things.

With business-to-business, B2B, customers differentiating with customer experience requires more specific strategies as buying decisions are made through more complex patterns. On average B2B customers score a much lower customer experience rating, some 25 percentage points less than in the consumer market. (Maechler, Sahni, & van Oostrum, 2016) Focusing on B2B customer experience is as important as in the consumer markets and it enables companies to gain a competitive advantage and generate more revenue. Maechler, Poenaru, von Collenger & Schulze (2017) explain that the customer journeys for B2B customers is different because the relationships are often deeper, including for example co-development, the decision-making process involves more people, the level of product or service customization is usually higher, and the individual relationships are worth more than on the consumer market.

According to Webb, Machlis & Webb (2018, p. 22) each company should strive to deliver exceptional customer experience. Being good is no longer enough as it leaves room, a favorable environment, for competitors to be better and steal your business and customers. According to Bommel et al. (n.d.) two thirds of customer decisions are affected by earlier experiences in the full customer journey. Companies should pay more attention how they engage their customers in digital channels to offer best possible cross-channel experiences throughout the customer value chain and create an overall positive image of the company.

One model of customer experience is called the net customer value strata, displayed in figure 3, which defines the layers of creating exceptional customer experience. It is important to understand that the value is defined by the customer and not the business. Delivering exceptional customer value is the key to succeed according to this theory and to deliver exceptional customer experience, businesses need to listen and be open. To support being transparent and open, the organizational culture should be open. A culture can be defined as the collective focus of every member in the organization. Communication is the key to develop open culture. Digital refers to communication, it is a new way to communicate with a lot of data in real time. (Webb et al., 2018, pp. 22–25)

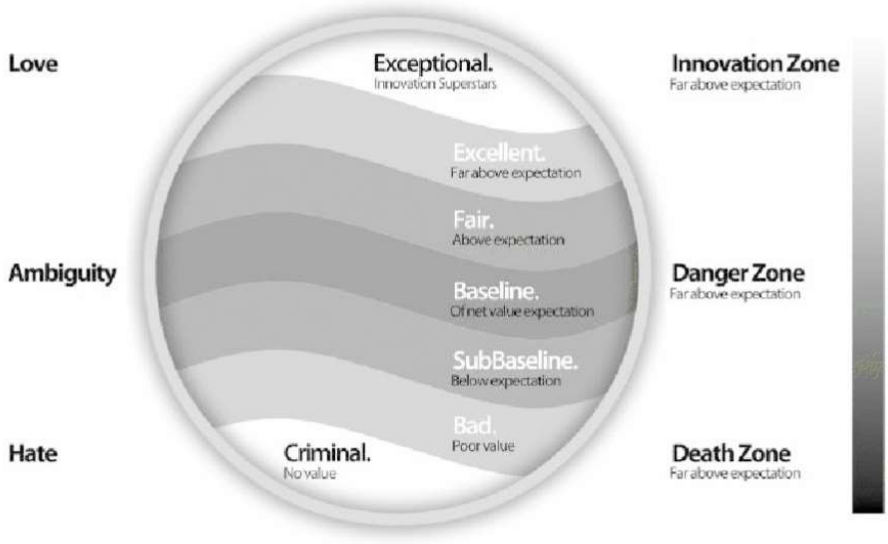

Figure 3. *Net customer value strata (Webb et al., 2018, p. 22)*

In the theory of net customer value strata, the layers of behavior start with criminal which stands for someone taking your money without giving anything in return. In the digital community these players are squashed immediately. When companies are delivering a baseline value, they are selling something that performs at the level of expectations – it's good but not excellent and does not leave a mark of real positive value. Companies that deliver exceptional value are innovation superstars, creating exceptional customer value through active listening. Listening is seen also as proactive work - reaching out to customers proactively increases engagement. (Webb et al., 2018, pp. 22–23, 46)

Customers tend to explain more when they believe they are listened to and their comments will cause some action. Listening is a gesture that shows the other person gratitude and appreciation. Brands can listen and engage a wider audience as they usually have followers. Listening allows companies to act as insiders and follow the shifting trends and opinions without delay. The social communication style of speaking for something without proper media training is making communication more transparent. Mistakes, apologizing and improving are new accepted aspects of communication. This communication style can also be adopted to customer service – being transparent and allowing mistakes is human. Creating a more positive customer experience is to engage in what the customer is saying. A customer that likes their customer service contact is happier with the same issues as a customer who dislikes their contact. (Webb et al., 2018, pp. 42, 45–46)

Consumers can compare prices and reviews by only a few clicks. Digital communication is so fast and rapidly spreading that it has the power to quickly destroy almost any business. The same applies for B2B companies and putting emphasis on exceptional customer experience can generate customer satisfaction. According to Maechler et al. (2016) it is important in B2B market to identify and map end to end customer journeys and all related stakeholders to find critical points where to increase satisfaction. Customer journeys can be grouped, and different service tracks can be defined, for example fast, standard and expertise. Guiding customers to correct service track in the beginning enables a quicker solution and thus generate better customer experience. In a later study by Maechler et al. (2017) it is emphasized that customer journey groups should be studied carefully to see, what would be the impact and cost to deliver a satisfactory customer experience.

B2B companies can improve digital customer experience by offering an easy way to find a new product and help customers make a faster and more informed buying decision. According to Maechler et al. (2017) there are a total of six customer journeys that drive B2B customer experience – "I identify products or services I need, I select a supplier and buy initially, I codevelop or customize with my supplier, I deal with unexpected events, I use the product and get the service and I reorder". Completing these journeys digitally is possible. It is important to understand which level of digitalization is beneficial for both parties to deliver best possible customer experience.

Digital customer experience is not only about generating fast value on a seamless platform. It also includes company and brand image online. According to Webb et al. (2018, p. 25–27) the ongoing consumer chatter in social media and other digital channels should be listened to in order to discover opportunities and identify problems. By taking part to online digital communities an organization can take part in the creation process with customers by actively listening. Digital presence should however only be used as a value-added resource to gain more visibility and not as the shortcut to customer awareness and business success.

2.2.2 Customer satisfaction

Customer satisfaction is driven by customer needs. According to Dorner, Gorman and Calvert (2015, pp. 3–4) the meaning of need refers to the gap between present and wanted state and is thus always changing and not tangible or permanent. The conceptualization of need requires the understanding of values and judgements which are often combined to value judgements. (Dorner et al., 2015, pp. 3–5)

When conducting customer satisfaction surveys, it can be seen that customers appreciate different things. Identifying a group of customers who appreciate one thing and another group appreciating just the opposite gives an advantage for a company to target their marketing efforts. For example, a 24/7 repair service might not be appreciated if it causes inconvenience during night time, but it might be the source of great customer satisfaction if the repair is vital. (Goldstein, 2009, pp. 17–18) Investing in attributes that customers value and hold important are key factors in creating customer satisfaction and meaningful business. All customer segments do not hold equal value which means companies can focus on segments which support their core business in which they can perform most efficiently and generate most profit.

Traditionally customers that buy a little and do not have a big effect on the company's performance are served through online channels where they are guided through marketing communication. Usually this sort of segment has the most customers and that is why creating personalized efforts to customer satisfaction are not justified, especially as the impact on the company is small. The efficiency of marketing can be investigated by analyzing how the marketing message was received and if it caused any actions. Customer satisfaction is further investigated with online questionnaires during purchase or delivery. (Ala-Mutka & Talvela, 2004, pp. 116–117)

Customers that are in the very center of many segments are called service customers and customer satisfaction survey is more in-depth than for small customers. Usually the information is gathered continuously and requires quick responses. Project related satisfaction is surveyed separately some three months after the project has finished to have project related performance fresh in customers' mind. (Ala-Mutka & Talvela, 2004, p. 118)

It is important to survey the satisfaction of new customer segments as well. The process needs to be investigated thoroughly to follow new customer lifecycle in the early stages of the relationship. These stages are followed at predefined checkpoints to know how many customers there are in the funnel on each stage. Customer feedback is gathered after initial contact, conversations and getting to know the customer after which corrective measures can be taken to improve the process. This survey has emphasis on image related matters and customer contact person. (Ala-Mutka & Talvela, 2004, pp. 118–119)

Key account customer satisfaction is often surveyed through personal interviews following a loose structure that guides the conversation. The intention of the conversation is to map future potentials and deepen the conversation where needed. The interview material is summarized for each customer which is key knowledge in planning next year sales targets.

Qualitative information is however not enough to form a perception of customer satisfaction as knowledge about processes is also needed. (Ala-Mutka & Talvela, 2004, p. 119) This means that one feedback collection method is not enough, but a company should generate many different channels to collect information.

2.2.3 Customer value anticipation

Effective segmenting is the basis for making a successful marketing strategy because the values, needs and characteristics in each segment predefine what actions can and should be taken on the marketing and sales side. Understanding purchasing behavior is key in defining the elements in a marketing mix which will be critical in satisfying the customer, landing a sale and ensuring long-term customer relationship. (Hutt & Speh, 2010, p. 125).

According to Ala-Mutka & Talvela (2004, pp. 64–66) the analysis of customer value is started by picturing a process chart and identifying customer expectations as well as own organizations main criteria that affect costs, operational quality and competitive advantages. The key issue is to connect own and customers' viewpoints to each phase of the process to identify critical encounters. Energy should be focused on identifying and developing these points so that the whole organization will gain an understanding of the most essential and effective ways to work. The size, stage, personal traits and professional expertise of a customer also affects expectations.

Sources of customer information within the company are either in different databases or experience, through purchasable data, customer researches or different impartial market analysis. The main focus in data analysis is to differentiate customers from one another for example by their needs and values. Recognized values can be generated in a certain part of the value chain, process or lifecycle. It is important to also recognize the values and needs of company's customers' customers to generate real value. Values are not restricted to products but also means of production, presentation and marketing. Information technology, legislation and competition affect in value generation and its perception. (Ala-Mutka & Talvela, 2004, pp. 50–51)

Lafley & Martin (2017, pp. 48–51) argue that competitive advantage is not sustainable, and companies need to continuously improve and update their functions. Remaining relevant and superior are the key factors of keeping customers satisfied. They continue to claim that performance is sustained not by offering customers the perfect choice but the easy one. The assumption is that purchase decisions are not made by conscious choice and is only the result of our brains trying to fill in the information gaps by past experience, thought and opinions. Their research suggest that the brain loves automaticity – the easiest decision. More frequent the same decision is made the harder it will be to make any other decision, with the assumption the purchase is satisfying. However, customers need to have a reason to make the initial purchase decision.

The business to business buying decision is in some ways similar to business to consumer because the decision makers are nevertheless people who are affected by emotions. In business to business selling there is a bigger emphasis on optimizing prices, meeting specifications, complying to regulations and following ethical practices. Suppliers are all the time evaluated by price and service level to see if total outcomes match performance. For businesses it is important to understand and evaluate the combination of emotional and rational factors that influence business purchases. According to the research conducted in Bain & Co by Almquist, Cleghorn and Sherer (2018, p. 75) there are 40 fundamental elements of value, displayed in figure 4, which can be grouped into five categories – table stakes, functional, ease of doing business, individual and inspirational. (Almquist, Cleghorn & Sherer, 2018, pp. 74–75).

The groups and values depicted at the bottom of the pyramid are providing a more objective value and the higher up you go on the pyramid the more subjective the values are. At the very base of the pyramid are the table-stakes – meeting specifications at an acceptable price level and complying with regulations and ethical views. The first level of values is also considered as prerequisites of doing business. The next group relates to companies' economic or product performance needs and are called the functional elements. Business to business companies still mostly focus their energy on these elements. (Almquist et al., 2018, pp. 75–76). If a company fails to deliver value on the first steps of the pyramid the customer experience will remain in a danger zone in the theory of Net Value strata presented by Webb et al. (2011, p. 22).

On the third layer, there are ease of doing business values which are such that for example increase customer's productivity or operational performance. There are also relationship values that are the first ones which involve subjective opinion from buyers like expertise and commitment. (Almquist et al., 2018, pp. 75–77) According to Maechler et al. (2016) business-to-business customers value long-standing relationships and evaluate the genral reputation of suppliers.

On the fourth layer there are more individual values that relate to either personal or career priorities, all of which can have high emotional concerns. Reputational assurance from a well-known business can reduce anxiety and risk for those who are held accountable for purchase decisions. The very top values are defined by purpose and are inspirational, improving customer's vision of the future or enchancing social responsibility. (Almquist et al., 2018, pp. 75–77).

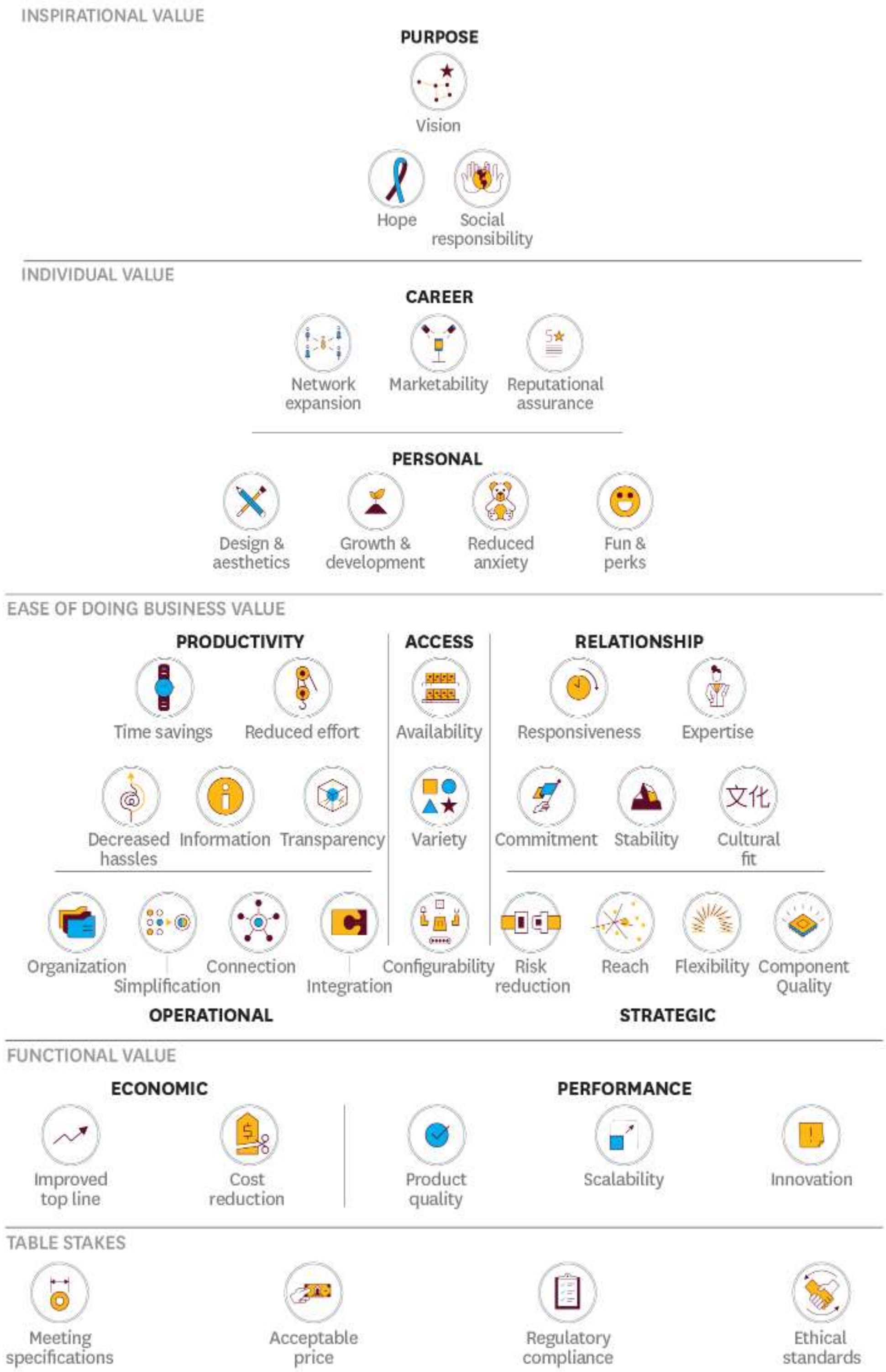

Figure 4. *The B2B elements of value. (Almquist et al., 2018, p. 76)*

According to Almqvist et al. (2018, p. 77) elements at the bottom of the pyramid are easy to measure and competing in those aspects is not hard. The more there are emotions the harder it is to measure them or implement improvement efforts. Companies that deliver excellence in multiple elements of value have more loyal customers. According to the research up to 60% higher loyalty when compared to companies that have strong performance only on one or maximum five elements. B2B customers also tended to repeat their purchases more frequently with strong performing companies. In IT infrastructure it was analyzed that product, quality, expertise and responsiveness were the top factors generating loyalty even though vendors thought it would be only price and cost reductions. These values are mostly in ease of doing business category and excelling in those matters would generate loyalty and repeat customers. (Almquist et al., 2018, p. 78).

Improving company performance on the most valued elements will better meet customer needs and increase satisfaction. Taking the customer point of view is essential to identify the mishaps in the whole company value chain. Very often companies might feel they are performing better on the values compared to the estimation by customers which is why continuous research and surveys are needed. By analyzing customers' needs companies can determine where to invest resources and prioritize. Methods of analysis can follow five steps starting with benchmarking competitors' value propositions with the help of questionnaires. Secondly, talking with customers to understand their experience, interview their needs and sources of satisfaction and frustration. It is important to understand also the customer's buying organization structure to identify correct people to interview. Sometimes most honest answers are received when the interview is handled by an intermediary. Once core elements are identified those can be refined, again tested and results should be used as a basis for learning. A follow-up analysis should be conducted to again match the company performance against competitors. (Almquist et al., 2018, pp. 78, 80).

2.2.4 Customer engagement and loyalty

Goldstein (2009, p. 28) refers to customer satisfaction as a feeling but customer loyalty as a behavior. Customer loyalty is very close to customer engagement and it can be measured by values such as willingness to recommend or to repurchase. If customers are willing to recommend your company, it means they have confidence in the company and their services. When the customer is willing to repurchase, it means they have prior experience of the product and is fulfilling a need to satisfactory level.

One very used scoring method of customer loyalty is called the Net Promoter Score, NPS, which has a centerpiece question "How likely are you to recommend this company to a friend or a colleague". Based on the answer ratings, customers are divided into promoters, passives and detractors. The NPS score is the percentage of promoters minus the percentage of detractors. (Markey et al., 2009). According to Bain & Co. (n.d.) the Net Promoter Score relates to growth, especially in industries where there is substantial competition, there are no network barriers to switch providers and the industry is mature. All the three conditions are fulfilled in the paper production industry. It is though good to keep in mind that loyalty is not the only indicator for business growth. There needs to be careful considerations before making conclusions with linkage of NPS and growth.

To engage customers and create customer loyalty companies need to meet the most important needs of attractive customer segments and establish a channel for continuous feedback. Most attractive customer segments are such core customers which might be only a fifth of the customer base but constitute a substantially larger share of earnings. Loyal customers spend more with companies that treat them well. (Bain&Co, 2010) The NPS linkage with growth has also been challenged by for example, Hayes (2008, p. 104) who had identified many scientific studies where satisfaction has been just as good of an indicator of future business growth and comparable with NPS. To continue Hayes (2008, pp. 104–105) had found no empirical evidence over the superiority of NPS which was considered to affect the reliability of the Bain&Co claims and point to potentially bias interpretations.

Individualized messages to customers based on what they have bought is more effective and engaging than a mass message sent to everyone. Further, a follow-up call to a customer if they have not placed any further orders after a major purchase, gives the opportunity to ask about possible issues the customer faced or if they were unhappy with the service and win the customer back. The follow-up call also creates sense of importance in customers mind and can create engagement. Engagement optimization is a form of digital customer service for example a shopping cart does not empty overnight if an intended purchase gets interrupted unexpectedly. This makes customers feel more comfortable and familiar. (Webb et al., 2018, pp. 163–165)

There is cutting-edge technology available to win more customers, some of which are presented here. Click to call is a link that connects automatically to a vendor. Modeled chat allows to open a chat directly to customer service representative but only after spending a certain amount of time on company webpages or visiting certain sites and thus demonstrating promising level of interest. Often the chat is enough to push into committing to purchase instead of leaving the webpage. Exit pop-ups could display for example a customized offer before exiting the page. Clout is a technique in which customers are evaluated by their clout value meaning how many followers or likes they have on different social media channels. The higher the clout value that much more emphasis companies should put into making them happy in the hope they will post something positive about your company. (Webb et al., 2018, pp. 165–166)

2.3 Evaluation and improvement of service channels

Customers' needs and values need to be met and exceeded to create satisfaction and engagement, however the needs are changing. Therefore, continuous improvement also on service channels is needed. According to Zahay (2015, pp. 91–92) digital technologies are supporting and facilitating companies to constantly monitor the market, enhance their current service channels and meet customer needs and expectations. Markey, Reichheld and Dullweber (2009) points out that if customer satisfaction is researched in an online platform, there should be immediate alerts to managers which highlight if key parameters are crossed.

Key parameters or key performance indicators for a digital service channel can be for example if the service was easy to use and for a personal service channel if the customer felt understood. An online survey can include a possibility for the customer to agree to a follow-up call which managers or other customer contacts would make to request for more details, help to solve the problem and improve customer satisfaction (Markey et al., 2009). If a customer points out their dissatisfaction it is important to address the matter quickly and seriously to avoid losing a customer.

The service level should be equal on all service channels, nevertheless it is important to recognize the channels customers prefer to use and direct company resources and marketing efforts through that channel. The different channels companies use should anyhow convey the same message and make sure the channels work together to create customer engagement. (Zahay, 2015, pp. 97–98) All customer service channels need also to be effective and efficient. Effectiveness means meeting process objectives and delivering required outputs. Efficiency means minimizing resources or time needed to complete a process. Both aspects should be measured when evaluating and measuring service channel performance. The evaluation should be an on-going loop from defining what goals a company wishes to achieve, measuring and analyzing their performance to making corrective actions. (Chaffey et al., 2009, pp. 580-585, 613)

Service channel satisfaction is an attribute that measures customers' opinion about the service quality and the supporting services. When evaluating channel outcomes, the idea is to research a particular action such as making a purchase and find out which percentage of users are lost during each step in the action. On top of online measures there are also offline measures such as marketing outcomes to enquiries or sales generated by a website. (Chaffey et al., 2009, pp. 580-585, 613)

Content management is an important factor in developing a webpage or an e-business channel as relevant content is key in providing a successful digital service channel. Fresh content is however manually maintained but there are digital technologies that can assist in monitoring how different users behave on a website, which data is mostly viewed, or links clicked.

(Chaffey et al., 2009, pp. 606–607, 613) According to Zahay (2015, p. 93) the statistics can even assist in finding the most influential user enabling companies to engage directly with customers that matter the most.

Web analytics and performance measurement systems work best when they are built while building the webpages, these are so called design for analysis, meaning that while developing a webpage the attributes a company wishes to measure, so called key performance indicators, are already built to the system. For example, different logon pages for individuals and companies to see which one is used more and to offer customized content. Retrospectively added performance management systems are though more common. No matter which system collects the data it needs to be analyzed and reviewed to be able to make corrective actions. (Chaffey et al., 2009, pp. 576, 579)

Customer purchasing data and behavior should be easily accessible as according to Zahay (2015, pp. 95–96) customers expect companies to know how they have interacted with their products and understand their past purchasing behavior. With good quality data it is also possible to create meaningful analysis. Research shows that when middle management believes they are involved in customer data management, the data quality is better, which reflects positively to company performance (Zahay, 2015, p. 102).

2.4 Customer service excellence

The previous chapters have discussed different theoretical frameworks about customer service channels and managing customer perception. This chapter aims at bringing together the key points and forming a coherent understanding how to deliver satisfying and above all excellent customer service. Maechler et al. (2017) suggest that B2B customers are usually happy to use digital customer service channels, especially with routine, daily tasks. For more complicated or new tasks the companies prefer to contact personal customer service, which is supported by Dixon et al. (2017, p. 112). This creates different, unique demands for both service channels – the digital platform should be easy to use, information should be easily found and performed tasks rather simple, whereas the personal customer service team should have in-depth knowledge of company processes, be empowered to make quick decisions and have the immediate support of other process experts.

Mapping customer journeys is an important step in generating customer experience beyond expectations. Both Maechler et al. (2016) and Ala-Mutka & Talvela (2004, pp. 64–66) report that critical encounters, key events, in the customer decision journey should be identified to deliver best possible customer service. The needs and values differ from one customer to another and it is not possible to satisfy everyone. Segmentation can be used to prioritize customers and confirm which demands are worth fulfilling. Companies should always invest in customer satisfaction as satisfied customers can become loyal customers which are a real asset to a company. According to Goodman (2009, p. 34) customers are more and more reluctant to complain but it is usually the loyal customers that makes the effort to report a misfunction. The study by Goldstein (2009, pp. 6–7) further reports that getting customer complaints and resolving them quickly is directly linked with reduction of customer retention. It is cheaper to keep a current customer satisfied than to acquire a new one. Especially in the world of paper business where the market has a lot of competition and new customers are rare.

Finding the right balance between digital self-service, digitally enabled personal service and offline personal customer service is important to be able to create best possible customer experience (Maechler et al., 2017). Customer satisfaction should be continuously researched, and the combination of service channels puts pressure to investigate all used service channels, not only the easiest or cheapest one. Companies should use different data collection methods to get as diverse information as possible and save it in a format which everyone can access. When investigating B2B customer satisfaction one crucial factor is to understand what is needed from a supplier to satisfy a customer's customer (Ala-Mutka & Talvela, 2004, pp. 50–51).

Based on all the read literature, the researcher can conclude that customer service can increase customer satisfaction and delivering excellent customer service is dependent on proper communication. Actively listening to customers, recording and sharing customer information within the company, together with open and honest communication are needed to deliver excellent customer service. It is not enough to research satisfaction if the results are not shared with correct stakeholders. It is not enough if customer data is recorded in CRM tools if it is not actively used to build better customer experience. Improvement plans are not enough if they are not followed through and communicated. Change is inevitable, together with digitalization change can be fast, so continuous research and improvement are needed to keep customers satisfied and create engagement.

3 QUALITATIVE CASE STUDY

Defining a research method forces a researcher to examine their topic and the principal research question through various angles and aspects (Hakala 2018, p. 14). This research focuses on selected customers of one company and the related service processes which is why it is considered a case study. It is a typical feature for a case study to focus on a certain event or a process that forms an entity which is then depicted and researched in its natural environment (Saaranen-Kauppinen & Puusniekka, 2006, p. 5.5). For this research case study definition is particularly interesting as the concentration was to find in-depth knowledge to the researched phenomenon.

Researcher's personality, targets of the research as well as the format of the research problem are some of the issues that should be carefully examined to define the right research method (Hakala, 2018, pp. 18–19). This research examined customers perception over different service channels and their satisfaction to both. Satisfaction is influenced by customer values that are subject to change, this is one of the reasons why qualitative research was chosen as a means of study. According to professor Juha Hakala (2018, pp. 19) qualitative research method is characterized by its "softness" that is never constant and requires a flexible touch and is open to continuous interpretation.

Often in qualitative research the inspector, or interviewer, is a so-called insider and there is a danger of being subjective. Formulating the questions, attitude in the interview and research analysis needs careful attention to remain objective. However, some subjectivity is one of the characteristics of qualitative research. (Hakala, 2018, pp. 19–20) Qualitative research method is most useful in the discovery of new ideas, thoughts, feelings and opinions according to Goldstein (2009, p. 9) which is why this method was seen as the right choice for this research. As an insider, also the ethical questions and conflicts must be thoroughly examined to avoid conflicts of interest that would undermine the research validity (Saaranen-Kauppinen & Puusniekka, 2006, p. 3.1). Qualitative research method does not offer much opportunities to generalize the results and the lack of reliability and validity is a threat, especially if the data is not collected by a trained professional (Goldstein, 2009, p. 16). The main goal of this research was to increase knowledge and provide new insights of the research topic and not to generalize the results to be applicable for the full UPM customer base.

In this research there was no need to uphold equality among the interviewees but to pinpoint the right and most important aspects that bring value for the research and commissioning organization. The interview questions were not formatted to be exact and the questions lived along with the discussion, recognizing matters that were most important for the customers. Presenting follow-up questions to look for details is one fruitful aspect of a qualitative research like an interview (Hakala, 2018, p. 23). This will also allow space for flexibility and creativity as each interview is a unique encounter. All in all, the researcher believes to hold personal traits that will allow to gain good results in a qualitative research.

UPM together with an unbiased, outsourced agency made customer interviews concerning the digital service channel called Customer Online in 2016. The intention of the interviews was to discover behavioral and motivational information to assist in tool development as the service had just been launched for external use. The research outline, target group and analysis were studied for the use of this research, however out of material rights and confidentiality reasons those will not be further discussed in this research report.

3.1 Semi-structured interview

One method to conduct qualitative research is an interview, which can be described as a discussion between the researcher and interviewees about predefined research topics. In the 80's interviews were conducted as questions and answers and the role of a researcher was non-participative. Later in the 20th century it was considered that researchers' participation with simple gestures like a nod makes the interview more relaxed and pleasant. The interview however is not a spontaneous discussion but initiated by the researcher and aims at finding information about certain topics. (Eskola, Lätti & Vastamäki, 2018, p. 28)

A structured interview is such that has specific questions that are asked from every participant and an unstructured interview or a theme interview is guided by common themes that are discussed freely (Eskola et al., 2018, p. 29). This was the first official interview for the researcher, so a semi-structured interview was thought to be the best possible option. It includes themes with specific questions but allows freedom for open discussion inside the theme. Each interview was conducted in a face-to-face meeting and it started with an opening discussion that was meant to relax the situation and slowly direct it to the interview themes. There was an order to the themes however the researcher tried to keep the conversation as natural as possible, asking questions about topics that arose from the discussion. This resulted in the themes being discussed in different order and themes were even revisited if the discussion took a turn to another theme too quickly. Each of the themes were discussed with all the respondents, however there was a different emphasis on the theme topics depending on the interviewee interest and opinions. Most importantly the researcher wanted to keep the interview flow like a natural discussion as much as possible.

3.2 Research quality

Validity means that a research generates results that were supposed to be measured and are accurate – in short results that are right (Dorner et al., 2015, p. 91). Reliability refers how reliable the results are, how the results have been collected and analyzed. It is not easy to inspect validity and reliability for a qualitative research as one of the characteristics of the research method according to Hakala (2018, p. 19) is subjectivity. This research was not monetarily funded however the researcher is an employee of the commissioning organization. To increase the trustworthiness and objectivity of this case study the researcher made a precise research plan in the beginning of the process, made every effort to stay objective throughout the process from conducting interviews to data analysis and reporting. All discussed topics during the interview were related to the research question at hand and all interviews were recorded to ensure discussions were noted down accurately.

Both concepts validity and reliability are closely connected with the quality of gathered data. The interview questions should not be guiding the respondent to a wanted answer and the results should be consistently analyzed. Reliability can be increased by a pre-interview and practice. The concept of constant self-reflection during the whole research process until the analyzing of results is important to stay objective and unbiased to reach reliability of results. (Saaranen-Kauppinen & Puusniekka, 2006, pp. 3.3.2-3.3.3). Recording an interview increases the research reliability because human tend to hear what they want to hear and when relistening a recording one can notice their own bias and correct it (Dorner et al., 2015, p. 168). While listening to the interview recordings for this research the researcher focused on not drawing too quick conclusions and tried to identify alternatives of how the interviewee understood a question and if the reply could be understood differently.

Research quality is also affected by the number of interviewees. It is considered that a reasonable number of respondents is reached when the data starts repeating itself and no new insights are gathered (Saaranen-Kauppinen & Puusniekka, 2006, p. 6.2.2). The chosen sample size for this research was guided by the insights from the previous interview conducted by UPM. It proved to be right as in the last few interviews no new insights were gathered during the discussions. The target interviewees were familiar with the researched topic and all were voluntarily willing to take part to the research, both factors increase the validity of the research.

While judging the quality of this research it is good to remember that this was the first time the researcher conducted interviews. A more experienced professional might have been able to discover more details and identified more points to ask for further questions. However, the researcher was backed up with extensive desktop research of the research method, had experience about the case study topic and took time to analyze the retrieved data carefully with integrity. The interviews had a section with two choice questions which was included to add trustworthiness of collected data and offer another aspect of the researched themes.

There are also some ethical considerations related with qualitative research which can be divided into three different categories from research topic and research method to research material analysis and reporting (Saaranen-Kauppinen & Puusniekka, 2006, p. 3.1.2). Especially when researching customer satisfaction, the research needs to be as unbiased as possible to be reliable. (Goldstein, 2009, p. 1). Research topic and method have been discussed in this report and a justified reason presented. The research material was analyzed and reported anonymously, none of the respondents or companies were named in the research analysis or presentation of results to guarantee anonymity. The interviews were conducted by the researcher alone and there were no previously known contact persons present in the interview which is believed to increase the honesty of results in this case study.

This case study researched a phenomenon that is not constant. While the interviews could be conducted again, the results might not be the same as opinions can change. There was an informed consent from all interviewees to take part in the research and all relevant information about the research was recapped at the beginning of each interview, including topics about research anonymity, that it is voluntary, confidential and that all the discussions were recorded and would be processed to a master thesis format which is a public document.

3.3 Research process

One advantage of an interview is the large amount of data that can be collected over a short period of time, however the transcription and thorough analysis can take a lot of time and be very challenging (Dorner et al., 2015, pp. 165). Interview questions do not always need to be directed at the topic itself but rather investigate the circumstances surrounding it for example what information customers need to do their job better (Dorner et al., 2015, pp. 166). The overall process of this research from target group selection to research themes and preparations is discussed in the next chapters.

3.3.1 Selection of interviewees

When considering whom to interview, previous customer interviews and recommendations were taken advantage of. For this research the considerations were discussed together with the Vice President of customer service as well as the Senior Customer Service Specialist of the target market. Whether to interview only single respondents compared to a group interview is something to consider (Eskola et al., 2018, p. 36). Interaction among respondents in a group interview can be particularly beneficial (Dorner et al., 2015, p. 165). First it was thought that a group interview could provide insights to this research topics on a more versatile angle however also the interviewee interrelationships and status within the company could affect the atmosphere of the interview. To generate most honest data for this research it was decided to conduct all interviews individually.

Based on the considerations ten companies were selected from different fields of business with different levels of COL usage and business size. In total eight companies agreed to participate with total of nine interviewees. Unfortunately, two type 1 companies were not willing to take part to the research leaving this field not so well represented. The selected company types are illustrated in figure 5, in which the most inner circle stands for customer type meaning the field of business they operate in. The mid-circle refers to business size on a scale from small (S) to medium (M) and large (L) and the most outer circle depicts COL usage on the same scale. The sizes were researcher’s own estimates based on UPM internally available statistics in Oracle Business Intelligence (2019). The interviewed company representatives were employees handling paper orders so that they would have actual experience and input on the research question.

Figure 5. *Selected interviewees*

According to Eskola et al. (2018, pp. 31–32) the first contact should be direct to be most beneficial thus the selected customers were contacted first via email. Each email was personalized to motivate the customer to participate to the interview. The common content in the emails included an introduction to the research as well as the researcher and how the results would be used. The initial contact emails were written in Finnish as the interview was conducted in Finnish, example of the email can be seen in Appendix 2. If no answer was received to the email, a follow-up email was sent the next week and if still no response was received the researcher called the target person to discuss their concerns and further motivate the customer to take part in the research. In most cases the initial and follow-up email was enough to schedule the interview.

According to Eskola et al. (2018, pp. 33–36) the most effortless place to conduct the interview is the most beneficial and it should be familiar for the interviewee, preferably seen as their home ground to generate a relaxed atmosphere. This is the reason why all interviews for this research were conducted at customer premises as face-to-face interviews.

3.3.2 Research outline and questions

An interview dialogue is affected by assumptions and expectations from all parties taking part to the discussion. It is important to build a good first impression by considering what the researcher should wear or how to speak. An interview is most fruitful when conducted in native language which is why these interviews were conducted in Finnish. It is good to start the interview with general discussion and further guide the discussion to orienteering questions that guide the thinking and mindset at the topic in hand. The researcher can draft an informal prologue to start the discussion or it can be spoken even in the middle of the interview if seen the need. For example, the researcher can introduce their work or more about themselves. (Eskola et al., 2018, pp. 37–38, 40)

For this research and interviews the intended outline of the interview situation started with greetings and introducing the researcher, their background as well as the research purpose. Once the discussion topic was clear the recording was once more discussed and agreed. All responses were treated anonymously, and it was stressed to the interviewee that their name or company would not be attached to any responses and only the researcher was to use the raw data from the recordings. The interviews were thereon continued by asking basic information about the customer's company and their own duties to relax the atmosphere. After a suitable topic represented itself the discussion was directed to the first interview theme.

Throughout the interview the researcher must remember to remain objective and not make leading questions. The spoken language should be clear, and the researcher should pay attention not to use company's inside language and word out all abbreviations. (Eskola et al., 2018, pp. 40–41) It proved to require special effort to stay objective and not present leading questions or hypothesis during the interview. The researcher had to pay special attention not to use statements like “you thought it was good” but to reformulate statements as neutral question “what did you think of it?”.

The themes in a semi-structured interview can be drawn by intuition, literature or previous interviews or by theory (Eskola et al., 2018, p. 41). For this research the themes were drawn by the researcher based on read literature, previous commissioning organization interviews and by the needs and wants of the commissioning organization. The research outline was presented to the heads of customer service and the e-business managers at a very early stage of the research process to receive more insights about the commissioning organization needs.

The themes were named as personal customer service, digital service channels and customer needs and values. Each of the themes had key points to help direct the interview (see appendix 3), however also a list of very specific questions was drawn in case the interview did not start flowing and required assistance (see appendix 2). According to Eskola et al. (2018, pp. 42–45) even with a list of questions the interview might not take off and that is something that needs to be accepted. Not all interviews are good ones or generate useful information. Most important is to react to interviewees responses, make sharpening questions, probe newly identified issues and direct the discussion to themes and topics which seem most interesting for the interviewee (Dorner et al., 2015, p. 194).

The personal customer service theme included discussion about the contact points in UPM as the commissioning organization was interested to find out how many different interfaces a customer has towards UPM. According to Goodman (2009, p. 34) customers are more and more interested in receiving consistent service, immediate resolutions to their problems, genuine empathy and understanding, which is why the speed, quality and accessibility of personal customer service was discussed with the customers. Means of preferred channel of communication was also one topic as the commissioning organization was interested to hear customer views on recently deployed team email accounts. Lastly it was asked if the customer service specialists promoted Customer Online, this as well was to the interest of the commissioning organization and especially the e-business function. Their interest is to increase the usage of COL and they wanted to know if customer service directs customers to use more of COL. According to Ala-Mutka & Talvela (2004, p. 80) the service level and thus customer experience should be the same no matter which service channel is used.

In the second theme, digital service channels, discussion were about customers own level of usage, the usability, performance and logic of Customer Online tool. Especially performance is one key element of successful websites according to Webb et al. (2011, p. XII). To deliver most relevant content on a digital platform it is important to know what users are looking for and how and why they are using the system (Chaffey et al., 2009, p. 431) which is why these questions were asked. The newest Customer Online module, eOrder, was thoroughly discussed as requested by the commissioning organization to find out if there were any needs that had not been fulfilled. One interest in the digital service channel theme was to investigate if customers had understood that Customer Online platform is editable, and if customers thought they need further training on the system. On top of the sections in Customer Online also UPM's other digital service channels, paper catalogue and certificate finder, were discussed. The commissioning organization also wanted to know if chatting via Customer Online or mobility services would be useful for the customer.

In the third theme, customer needs and values, customer expectations for a paper supplier were discussed. According to Almqvist et al. (2018, p. 80) understanding customer experience and expectations is important to be able to generate services that satisfy them. What could make customers job easier and what are the most important aspects of a paper supplier were two of the questions discussed in this theme of the interview. Simple listening also increases satisfaction and engagement (Webb et al., 2018, p. 209). The ethical and green values as well as other business-related requirements were discussed. Lastly it was asked that what the most critical points for customers business where a paper supplier must succeed.

In addition to the open discussion within the interview themes also a checklist of preferential use of different service channels was gone through at the end of each interview to find valuable input on one of the most important research topics for the commissioning organization. The list consisted of five customer service functions to which the customer had to decide if they prefer to use online self-service or would they rather check the issue with a personal customer service specialist. This checklist offered more input for the commissioning organization about basic customer service tasks and customer preferences of service channel use. Similar issues were discussed during the interview, but the checklist was thought to offer possibilities for a more transparent and reliable comparison between customers. During the interview it was noticed that customers understood the statements differently and their answers varied depending on their interpretation. The statements opened further discussion on the topics which generated valuable insights about service channel usage.

Some key points of the discussion could be summarized in the end of the interview however the researcher did not see the need for such summary. The researcher asked clarifying questions and made sure to repeat key points throughout the interview to make sure everything was understood correctly. This way of asking sharpening questions and trying to identify meaningful issues already during the interview is a method of continuous analysis which should help with the data analysis process (Dorner et al., 2015, p. 194). The researcher also took notes during the interview which proved to be a useful asset during the analysis phase as already the important insights and thoughts were noted. Once interviews were listened to, new insights arose, and all were comprised together for in-depth analysis.

When defining research questions related to customer satisfaction it should be noted not to only ask questions that are believed to be important to customers. In a proper satisfaction interview, customers are genuinely listened to discover what values are most important for them. This way the important aspects are identified, and companies will be able to make improvements on topics that are important for customers and improve their satisfaction. (Goldstein, 2009, pp. 1–2)

3.3.3 Research preparations

Fear of rejection might make the initial contact difficult (Eskola et al., 2018, p. 46). The researcher wanted to motivate the interviewees to take part in the interview by mentioning a known coworker who is also the customer's point of contact. It is easier to decline to a stranger than a person you want to please or who has performed well. On top of the difficulties of initial contact the interviewer was prepared that the meeting might be delayed, the intended meeting place might not be found, or the interview would be abrupted. Only one of the interviews was interrupted, luckily the flow of discussion was nevertheless good, and interruptions did not confuse the interviewee or the researcher.

One practice interview was conducted to the researcher's close family member to be well prepared. Based on the previous interview conducted by UPM, estimations of how much the whole interview would need time and how much time can be used to each theme were decided to make sure all themes are discussed. If one theme generated most discussion over the others, it was decided to discuss those topics most interesting for the interviewee. Clarifying questions were asked continuously to avoid misunderstandings. According to Dorner et al. (2015, p. 168) the recording can be intimidating and may distract the interviewee, some might free up to talk only after the recording stops.

The researcher is working for UPM Sales Oy as a customer service specialist, therefore the everyday processes, programs, cornerstones of the paper business and the whole research topic environment were known. The customers were however not known to the researcher beforehand and the interview was the first time meeting each other. The researcher discussed about each customer with the respective UPM customer service specialist and researched the company homepages before the interview to be as well prepared as possible. Before the interview the researcher decided to forget assumptions of the paper business and enter every situation with an open mind and form an understanding about the customer based on the discussion. The background research though proved useful as customers seemed to value the already acquired knowledge about their company and partnership history.

3.4 Research analysis

The target group for the research was UPM's Finnish customers. In total 8 companies and 9 respondents participated to the interview which operate on different customer segments – newspaper publishers, magazine publishers and merchants. The company sizes and the usage of UPM's online tools varied to get as broad insight to the research topic as possible. Interviews were scheduled to last not more than 60minutes, the final duration was between 30 to 60 minutes, most often 45 minutes. Shortest interviews were with customers who were most satisfied with the service level on all channels. The researcher conducted all interviews alone, in customer premises in May and June 2019.

The interview recordings were transcribed soonest after the interview using a short form typing method, meaning that not all sighs were written down. During the transcription process the researcher already dotted down important notices and combined them with the notes taken during the interview. According to Dorner et al. (2015, p. 191) data organization should be the first step in analyzing quantitative data, which is why the data was categorized carefully. The interview themes served as a good basis for organizing the data to sections of personal customer service topics, digital service channel topics, specific customer needs and values as well as the comparison of drivers to use either service channel.

Dissecting the data to smaller pieces was conducted by researching one theme at a time and trying to find similarities and patterns or connections with other responses. An illustrative method was chosen to organize the data by choosing a color for each theme and writing key points from each interview on theme colored post-its and further assigning them to sub-topics. From there on it was easier to cross-check which points reoccurred the most, what were the similarities between each interview and what where the topics that caused dissatisfaction. In the following chapters the findings on each theme are discussed and improvement suggestions based on the key findings of the analysis are offered.

4 RESEARCH FINDINGS

4.1 Personal customer service

The commissioning organization of this research was interested in knowing how many different contacts customers have in UPM. Based on the research most customers have key contact points in sales, technical customer service and the customer service team in Tampere. The focus of this research in the area of personal customer service was on the service received from the customer service team in Tampere but also comments to other contact points were noted. All the interviewed customers were able to name their primary customer service specialist contact even though correspondence is handled through a common team email account. Usually customers named also back-ups and previous contacts. Over half of all interviewees also named their technical sales contact, even though this was not requested of them. To the interviewer this shows that both the customer service specialist and contact in technical customer service are most important points of contact for customers who handle the paper ordering process. Mostly the sales contracts were handled by different responsible persons at the customer's organization which is most likely why sales personnel were often not mentioned.

Some of the customers had also direct contact details for production mills. This is not a common way of practice, but the longer the customer relationship has been, the wider their network was. Before the supply chain center was established in Tampere in 2009, customers were served from mill locations. There are also cases where the customer relationship is a two-way street so that customers are helping in testing new products by printing them in their facilities. In these cases, it is very natural to have also direct contacts from the production mill.

Customer service specialists were thought to be easily reachable through the team email account. Two interviewees pointed out that it does not really matter who replies to the emails as long as a reply is received, especially in case of urgent enquiries. Most of the customers said that urgent inquiries are always handled with phone calls, which correlates with the findings of Dixon, Ponomareff, Turner & DeLisi (2017, p. 112) who state that customers want to use self-service channels as much as possible and contact a personal channel when they are not able to handle the problem on their own. A few interviewees said that they always prefer to call as it is more personal way of communicating and makes both parties more connected to the other and enables formulating a relationship. A surprising finding was that many of the customers thought customer service specialists to be very busy and they did not want to bother them with every little question. The researcher believes that this is partly caused by Finnish culture and mentality.

Through the data analysis stages the researcher was able to connect points that were commonly seen to go well and points that needed improvements. All the points are not directly involved with customer service tasks but have a clear link or customer service are the people delivering the said message and thus appear as responsible for the issue. Customer deliveries was one topic that surfaced in all the interviews. In UPM the customer service specialist makes the order for logistics department, who then order the delivery from a transportation company who will organize the delivery based on agreed parameters. Improving the logistics value chain is seen as a key point affecting customer satisfaction and thus also included in this report analysis.

Customers mostly thought that deliveries tend to go wrong, either delivered on wrong date or time or wrong quantity. Accurate deliveries are important as most warehouses have a worker only during the agreed times. Warehouse inventories on not so common paper qualities are very low and if deliveries are delayed it might cause delays to the printing work. On the other hand, sometimes companies keep high stocks for highly requested qualities and if deliveries are too early, they will not fit in the warehouse.

However, customers thought that in most cases customer service specialists had informed about the delivery exceptions and in cases where there was no pre-warning also the customer service specialist did not know of the deviation. When discussing production and delivery related dissatisfactions it was clear to the researcher how connected the customers felt with the customer service specialists and in many instances justified customer service specialist actions. Customers thought there was a mutual understanding between them and customer service, and that co-operation was easy and effortless. A so called *working and achieving together* mentality was very clearly heard in nearly all customer interviews.

Other more tangible aspects that customer service was thanked for, were their flexible teamwork in difficult situations, helpful and proactive attitude in solving issues and their hints and tricks on how to use customer online more efficiently. All in all, customers thought that customer service specialists were always trying their best to fulfill customer’s needs, even though they did not always succeed. Especially in times when paper demand was higher than available supply, customers thought they received high level customer service and specialists were in and out of their depth trying to satisfy customer needs.

> Our personal customer service contact was able to make paper magically appear when needed.

> We have always felt we can contact our customer service specialist with a very low threshold, and we appreciate the collaboration we have.

On a more negative note, UPM is a big company, driven by established processes which were seen to cause stiffness in the decision-making process according to some customers. It was also thought that UPM is not able to make quick decisions which the rapidly changing market currently demands. Customers often explained that even their customers are making very last-minute changes and decisions which can have big effect on paper consumption. Companies are not able to tie up capital to big inventories on all possible paper qualities which is why quick decisions and quicker delivery turnovers are needed from paper suppliers. Ala-Mutka & Talvela (2004, pp. 50–51) pointed out that understanding the needs from customer's customers is in key position to enhance customer satisfaction and generate real customer value. In the researcher's point of view quicker order turnover and quicker deliveries are a clear point for improvement and source of customer satisfaction and loyalty.

When talking about personal customer service, the customers often mentioned that with long response times an intermediate reply such as "working on it" is appreciated to know that someone is taking actions to fulfill their request. According to half of the interviewed customers, moving production planning to Germany in 2014 the decision process slowed down considerably. This was not asked by the researcher, but customers brought it up by their own initiative.

All the topics that rose in the personal customer service theme were close to Goodman's (2009, p. 34) research findings about customer expectations, where it was stated that customers expect to receive consistent deliveries, promises are kept, problems are resolved immediately, and genuine empathy and recognition is showed towards the customer. Moreover, in this research one theme highlighted over the others which was partnership. To the researcher it seemed that most customers were proud to know their customer service specialist's name and talked about their contact with genuine, positive feelings. This point should not go unnoticed or underrated as customer service is a competitive differentiator and genuine empathy, compassion and interest are aspects of valuable customer service (Webb et al., 2018, p. 209). The researcher believes that the current level of customer service is increasing customers' motivation and engagement to UPM. One of the interviewees said they really value the personal customer service received from UPM's customer service team in Tampere.

4.2 Digital customer service

The main digital service channel UPM is offering is Customer Online. In this research the overall opinion of Customer Online was that it is useful and simple to use, but also frustratingly slow and for some parts duplicate work. Customer Online is divided in different sections, one of the newest sections being eOrder where customers can place and amend paper orders (UPM, 2019b). Half of the respondents thought that eOrder is useful and the other half was divided between respondents who had become used to using eOrder and others who refused using it as it was considered too slow or duplicate work parallel to customer's own enterprise resource planning, ERP, system.

Interviewed customers had different levels of activity in Customer Online. During the interview the researcher was able to establish a general understanding how satisfied the user was of COL. In the figure 6 customer satisfaction and activity in customer online has been clustered to better visualize the common understanding of customers' perception of the digital service channel. The interesting point is that most of the customers with highest activity in COL were somewhat satisfied with the system. Customers that had lower activity ratings were happier with COL. The researcher believes that a customer can manage with the system slowness if the activity levels are not that high, but system performance becomes a critical factor affecting satisfaction when usage is higher. There was only one customer who was not at all satisfied with COL, which was also reflected in their usage.

Figure 6. *Customer satisfaction and activity in Customer Online*

The biggest issue customers reported in Customer Online usage was system slowness, one interviewee said it is "amusingly slow". Especially when entering search filters or continuing with available selection the loading took too long and was causing frustration. One of the customers said that there is nothing more frustrating in hectic work than to look at a *loading* icon. It was pointed out that if a page had not loaded completely, clicking somewhere just as the page loaded a bit more might cause totally wrong selection unintentionally.

> It's like online banking – really irritating but one hast to pay their bills.

According to the study by Chaffey, Ellis-Chadwik, Mayer and Johnston (2009, p. 387) to be effective online the content needs to be relevant, the channel should be easy to navigate in and work fast. According to the interviewed customers, all of them were able to find the needed information online and it was relevant but the performance not in the level where it was expected to be. One of the interviewees said that it's very easy to enter and select filters but the processing of that data takes too long.

On the other hand, customers were happy that Customer Online platform is editable. All the customers had found the best section for them to work in and had amended the view to display details most useful for their needs. Some customers edited the displayed details frequently whereas others had edited the view once and were satisfied with that. Most of the respondents also explained that when talking with customer service specialists they received valuable advice on how to work with COL more efficiently. Most of the customers thought that additional training is not needed but the advice received from customer service was seen as a good and useful way to learn more. One customer said that COL is easy to use even if you are not a computer geek. During the interviews the level of user's own proficiency with computing devices was noticed to have an effect to the answers. Some of the interviewees were self-taught and liked playing around in the system trying to find out new ways of doing things, some interviewees used the system like they had been taught the first time and some relied on the expertise of a colleague if problems in using the system arose.

> You just need to click around a bit and investigate and you will find everything that is needed.

Some customers compared UPM's digital customer service channel to that of competition and said it to be better and more transparent. Especially how easy it is to get production date information for new orders through the eOrder module. Some customers said that there was irrelevant information in the eOrder module such as old delivery addresses. Those details come from customer master data which is manually maintained. In COL stock view customers found it easy to monitor their stock levels and see if orders were produced earlier than confirmed.

Other digital service channels such as the certificate finder and paper catalogue were known to some 70% of the respondents. Those customers who were using them thought that they were useful and easy to use. Most specific certificate requests were however asked directly from customer service or technical sales to be certain that a correct certificate is received. A few respondents thought that the technical specifications online are more trustworthy than on printed paper catalogues since the paper grade availability and specifications change rather rapidly. This is good information as data trustworthiness is one of the important aspects of a successful digital service channel (Chaffey et al., 2009, p. 413).

The possibility to use UPM's digital service channel on mobile devices was not seen that important. The interviewed personnel where mostly responsible of the paper ordering process and usually it required the usage of multiple different software including company's own ERP systems which were not available on mobile. Some customers thought that adding photos to UPM claim handling module, eClaims, with a mobile device could bring value added and some customers thought that during holidays or in back-up situations there might be some use for mobility services. One customer would have appreciated mobile notices of loaded deliveries to arrange the staff to warehouse for unloading. Zahay (2015, p. 97) has reported that companies should focus on the communication channel that customers prefer however the researcher in this study believes that mobility services in this area are not known to customers and their usefulness can be hard to evaluate without experience.

> It could be useful if I could take photos on my mobile and directly attach them to eClaims.

The possibility to use a chat tool in Customer Online was not thought to be useful. Additional pop-ups were frustrating for some and others feared it might slow down the system even more. The current issues that customers reported in customer online are that in eOrder module the agreed price is not visible, and the PO number is not visible on the order header level but only when drilling through to item level data. Both issues are known decisions made by UPM – price is always visible on order confirmation and some customers have a unique purchase order reference on order item level. Other problems arose from the passive role of Customer Online meaning that customers need to themselves go and check if orders have been confirmed, if release deadline is approaching, if truck has been loaded or whatever the unique need of a user is. There are no automatic push notices to customers from customer online. The other problems customers were facing with customer online were around system slowness and resetting a password.

4.3 Customer needs, values and expectations

The business-to-business elements of value (Almquist et al., 2018, p. 76) were discovered in this research as well. The most bottom-line values, the table stakes, seemed to be in good order, especially ethical standards rose to some positive discussion. From the functional values, the economic aspects were not discussed since the relevant parties were not present in the interviews. From performance point of view quality was mentioned many times and usually the quality of UPM's products and services received high appraisal.

Most of the respondents mentioned ease of doing business values such as using customer online does not require much effort as it is simple to use, it saves time and is available all the time and not just during business hours. Especially the availability received appreciation as the respondents worked through shifts or simply just longer days whereas the customer service team works only through normal business hours. One interviewee called Customer Online "liberating" as it empowered them to work whenever wanted, needed or preferred. One item in this category is productivity and transparency which required improvement. Another aspect that creates value in this section are relationship aspects. Throughout the interview it was noticed how much customers value the relationship they have with customer service team and technical sales, and especially thanked their commitment and expertise.

Almost all of the customers stated that the most critical characteristic for a paper supplier is to be punctual and to keep their promises which corresponds directly with productivity values as it decreases hassle. All in all, on-time deliveries are most critical to merchant customers. Most of the difficulties with deliveries were reported with German and Kymi mills. Customers recognized that sometimes the difficulties are the result of transport companies which are not UPM owned. It creates a lot of hassle if customer's unloading times are not respected. Customers wished that personal customer service from Finland and paper production in Finland would continue. Some customers even had contractual obligations to their customers to offer paper made in Finland.

From the individual values in the elements of value pyramid (Almqvist et al., 2018, p. 76) some interviewees mentioned the individual aspects like the reduced anxiety because of the availability of customer online tool or the consistently high-quality level paper that is received. Related to business expectations, the strongest wishes were in delivery follow-up possibilities and faster order turnarounds. Respondents said to work in a very hectic business environment where decision are made on the very last-minute putting pressure also to paper suppliers to give faster answers on paper inquiries and promise faster deliveries. At their own initiative, a few customers compared the service to competitors, saying that competition can confirm a fast delivery in just few hours.

Figure 7. *Critical features of a paper supplier*

The mentioned critical features of a paper supplier are also displayed in figure 7. On-time deliveries and fast order turnover being the ones mentioned most. Half of the respondents mentioned UPM as a stiff organization which does not match to the agile needs of today's business environment. Nevertheless, UPM was seen as a very trustworthy partner and customers thought that UPM usually keeps their promises.

4.4 Comparison on channel usage

One sub-objective of the research was to find out the drivers behind selecting either of the available service channels. Based on this research most of the customers thought that the digital service channel is the preferred means of operating. Working online gives freedom to choose the most suitable time to work. Some of the customers were saying that they do not work during normal working hours but mostly very early morning or late evening. Most frequently the normal, daily business matters were handled in Customer Online for example reviewing order documents, checking release deadlines, delivery dates or processing orders through eOrder. Half of the customers said that they first try to find the information online because they do not want to bother busy customer service specialists. When presenting this result to the respective customer service specialist teams they were surprised and wanted to take initiative to change this misperception.

Customers prefer the personal service channel with all matters that are out of the ordinary, for example any problems with deliveries or inquiries that require fast response. Especially the urgent delivery enquiries are something that customers tend to contact directly to the personal customer service specialist. It is believed that systems are limited by the parameters given to them and humans can make exceptions and bend the rules if they hear the customers true root cause they are more eager to help where as the system says the same thing for everyone. End-customers might also have enquiries that are out of the ordinary which according to this research customers prefer to check with their personal contact. For example, unfamiliar sheet sizes or other production related specifications or certificates required by the end-customer. All the customers said that especially with logistics deviations they contact directly the personal customer service specialist as the information in digital service channel is limited and there is no possibility for exception handling.

On top of a general discussion about service channel usage, all customers were asked five basic functions and asked which service channel they would prefer to use. The answers are displayed in figure 8. Some customers chose both channels depending on the issue for example order confirmation printouts were retrieved from COL by almost all customers, but a few customers also received an email from customer service confirming the delivery date. The email was considered more useful especially if an order had multiple order lines. Deliveries were mostly checked from COL to see what loads were planned for delivery and to check if goods had been dispatched. However, customer service needed to be contacted if there were any further enquiries about deliveries as COL did not provide the needed information.

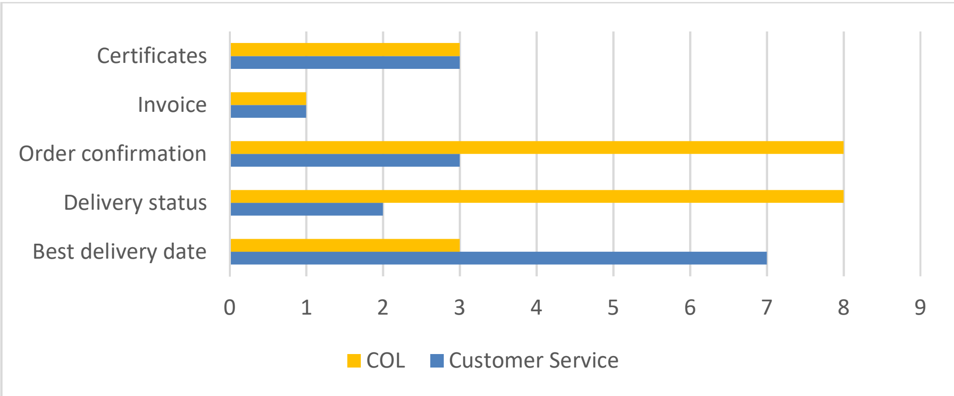

Figure 8. *Preferential use*

As discussed in previous paragraphs customers believe customer service has more possibilities to influence a delivery date which is why almost all customers said that if they need a best delivery date, they always contact personal customer service. Some customers pointed out that COL is the preferred channel when checking best delivery dates for available stock. Invoices were very seldomly checked by the interviewed customers. Most reported that invoices are sent directly to their own systems and automatically approved if no issues. One issue for the low usage is also that invoices are usually handled by a different department and if there are any discrepancies, they almost always need contacting personal customer service.

All in all, the services from UPM received good appraisal even though slowness of both service channels was mentioned most as a cause of dissatisfaction. One interviewee said that they have been very satisfied and asked to keep the service levels to their current standards. Another one said that there is nothing bad to report about the collaboration with UPM and that it works as it is supposed to.

4.5 Improvement suggestions

Based on the studied literature, previous researches and the analysis from this research, improvement suggestions were drawn. The study by Maechler et al. (2017) indicate that speed of interactions is one of the major pain points in B2B customer experience. The finding is supported by this research as discussed in previous chapters. Chaffey et al. (2009, p. 298) further indicate that performance is one key element of a successful webpage which is why it should be taken seriously. The researcher strongly suggests that the first improvement should be to analyse the performance of COL platform and make plans how to improve it in a timely manner.

It was not only the speed of digital customer service channel that was criticized in the interviews but also the duration of the whole decision-making process in UPM. The current market situation and increase of digitalization has changed the buying behaviour of UPM’s customers’ customers. This puts pressure to deliver quicker order promises. UPM should further investigate how they could deliver faster promises without jeopardizing the quality of the promise. Is there a way to utilize eOrder so that quick delivery requests are served through a *fast track*, jumping over unnecessary handovers and guided directly to the decision maker? The report by Maechler et al. (2016) supports the idea of different service tracks to improve customer satisfaction and experience.

The researcher noticed that customers explained throughout the interviews how they sign in to COL and check if something has happened – if an order status has changed, reels had been produced or if a new invoice is available. The researcher firmly believes that it would generate value to the customer if COL sent push notices when key events in the order lifecycle happens. To make these notices most useful, the customers need to be able to select which information generates the notification and how frequently it is notified. A list of potential key events based on the researcher’s own experience about the order lifecycle and from the customer interviews are: new order confirmation available, order release deadlines is approaching, changes in available stock levels, deliveries that have been just loaded with a tracking link and a packing list or waybill, delivery certificate agreements which needs signing and new invoices that have become available.

One topic that was discussed on each of the interviews were deliveries. Currently there is very little information about planned deliveries for Finnish customers available in COL – only a status of loaded or dispatched. The wish from customers was to have more transparent data when the truck has been loaded or even up-to-date information where the truck is at any given time. The researcher suggests adding a dispatch timestamp on every delivery to COL to improve transparency immediately. As a more long-term improvement suggestion the tracking possibilities of a truck delivery should be created. Based on the findings of this research, a web-based solution to accurately view where a truck is would be valuable.

The structure of Customer Online was thought to be simple and clear. However, the researcher noticed that customers were mostly accustomed to using one or two sections of the main platform and one improvement suggestion would thus be to combine the current five sections to fewer. All in all, a more modern look and feel to the site might attract new users. The interviewed customers were very accustomed to the current views and display of data but when compared to e.g. UPM homepage there could be some streamlining in the visual appearance of the tool. The dashboard -section has a “news” box where there are in total four news, two from 2018 and rest from 2013 and 2014 which does not give a good impression. The researcher’s suggestion is to either rename the sections to important information or update relevant news more often for example promotional information of new products.

Nowadays customers are expecting to get information easily. As by Lafley & Martin (2017, p. 49) brains are designed to make the easy choice. The data presented in Customer Online could be more illustrative or users could decide which data or key performance indicators they would like to see as visual graphs or charts. Based on customer behaviour the system could suggest new solutions or the sales representatives could inform COL which new products to suggest based on customer purchasing behaviour and knowledge of the customer segment. There could be also hints and tricks in COL that customers could enable to see and understand all the available features and be informed of all technical changes to the system. This could increase the effectiveness of system use.

Customer satisfaction should be researched continuously, and the researcher believes that the easiest and most straight-forward way would be to implement a measurement system in the digital service channel. Either the NPS or other means of monitoring key performance indicators. NPS is a widely adopted method however the researcher is not convinced of its validity in B2B markets such as the paper industry, as it assumes that customers have the opportunity to recommend the service. Moreover, if a customer feels they are receiving exceptional customer service that helps them achieve better results, would they genuinely recommend the same to someone who could also be a competitor?

Adding a *feedback box* in COL where customers could fill and send feedback over the services. Very important would be to share this information with customer service specialists and sales. Overall the information sharing could be improved by saving customer details or findings in salesforce which is already in use for UPM as a customer account management software. The details could be added by anyone interacting with the customer and should be studied and reported frequently to the employees operating in the customer interface. During the research process, the researcher found out that customer service specialists always send out a COL questionnaire a few months after the tool had been activated to a new customer. The data sheet is saved to salesforce however further utilization is unknown. The researcher suggests that either sales managers or senior customer service specialists report key findings to e-business representatives and a wider compilation and analysis to be made quarterly to understand the initial perception of the tool.

4.6 Usage of research findings

Throughout the research process the commissioning organization had a key role on what topics and themes were investigated. The research findings were presented to the commissioning organization in two parts, first to the team of respective customer service specialists and second to the heads of customer service and the e-business managers. It was important for the researcher to communicate all findings to ensure that the customer voice was presented and heard.

The whole team of customer service specialists attended the presentation and seemed mostly eager to hear the research results. There was discussion during the presentation and most of the findings were already known to the team. The only surprising fact was that some customers had reported they do not want to bother the team and always try to first manage on their own in the digital platform.

The managerial team of customer service and e-business representatives found the results interesting and backing-up their current plans for the tool development. There was very active discussion throughout the presentation which the researcher believed to be genuine interest to the topic, validating the need and importance of the research. During the year 2019 a new project called COL renewal had started in which the current digital service tool is to be transferred to a new platform and renewed to better match modern customer needs. Because of the gained in-depth knowledge, the researcher was nominated to the project as a representative of customer service team in Tampere. During the last quarter of 2019 and the following year, the researcher participates to regular meetings to validate that the modification plans match with external and internal needs.

5 CONCLUSION

It is thought that digitalization is the cause of disruption in customer service however Teixeira (2019) confirms that it is the customer that drives the change by accepting new technological solutions. Digital self-service channels are becoming more common and accepted means of operating also in business-to-business markets, which reforms the needs of personal customer service. According to Bommel et al. (n.d.) using multichannel services requires understanding of customers' earlier experience, delivering relevant online content and offer services that are supported by experts. This case study researched the personal and digital service channels offered by UPM and was conducted as semi-structed interviews to UPM Communication Papers' B2B clients in Finland.

Different needs and values drive different customers and according to Irniger (2019) the demands have changed because of digitalization. Customers in modern world expect to have fast and reliable services, they wish to have their needs anticipated, be able to follow their own performance and historical data. Connecting customers with similar needs to one customer segment enables companies to establish more efficient customer strategies and goals. According to Ala-Mutka & Talvela (2004, pp. 64–66) identifying special needs is possible by researching critical encounters in the value chain. It is though important to define what is the cost and potential profit of delivering the needed service level and focus only on strategies that are beneficial.

Customer expectations have to be met to create satisfaction and customer satisfaction needs to be continuously researched to understand changing customer needs and values to be able to pinpoint their priorities and improve the overall customer experience. Exceeding expectations is the best way to generate satisfaction (Webb et al., 2018, p. 22). To be able to succeed in this, the customer expectations, knowledge and strategic goals need to be communicated to all relevant interfaces. According to Webb et al. (2018, p. 46) active and further proactive listening to customers is important to understand customer expectations, increase engagement and customer satisfaction.

Loyalty drives customer behavior according to Goldstein (2009, p.28) and often loyal customers are the ones that want to improve the business relationship. This is supported by Lafley & Martin (2017, p. 49) who's studies show that human brain prefers to make an easy choice. The researcher believes it is easier to conduct business with a current business partner than to find a new one.

According to Dixon et al. (2017, p. 112) customers are believed to be more interested in fulfilling their needs and tasks through digital service channels, which can be partly confirmed by the interviews conducted in this research. A digital service channel should be fast, easy to use and work in real-time according to Maechler et al. (2016). It should offer relevant content to users and have a built-in analysis that is followed-through. This research suggests that UPM's digital service channel delivers relevant content, is available 24/7 and easy to use, however the system performance caused a lot of dissatisfaction. The other drawback found in this research that cause a lot of dissatisfaction were customer deliveries. To improve this UPM should invest in providing more transparent data over customer deliveries in the digital service channel.

Customers tend to turn to personal customer service when the task is too hard or impossible to complete in a self-service portal (Dixon et al., 2017, p. 112). In addition, this research found that customers understand the limitations of a digital channel which is bound to certain rules and lacks human empathy and compassion which is why personal customer service was contacted to support in exceptional customer enquiries. The personal customer service channel in UPM received high recognition over their collaboration skills and willingness to help achieve customer goals. It is clear that personal customer service is a competitive differentiator in business, as also argued by Goodman (2009, p.16). It can truly listen to the customer needs and communicate those throughout the organization to generate real value.

As personal customer service contacts have most of the customer specific details, they should be used in digital service channel development to ensure most relevant content and services. Topics customers are most dissatisfied about need to be identified to be able to improve. For example, in this research the actual slowness was the biggest drawback of the digital service channel and also for the personal customer service – customers were not able to get as quick replies, documents or as quick deliveries as they would need to satisfy their customers. Understanding the needs of customer's customers and taking the customers viewpoint is in focal point when wanting to generate customer value (Ala-Mutka & Talvela, 2004, p. 50).

This research showed points that cause dissatisfaction for UPM's customers, however the research was limited to customers located in Finland. UPM has an extensive customer network all around the world and customers operating in different geographical areas or with other sales terms might have different needs for the service channels. For example, customers that never work at the same time as personal customer service due to time zones might have totally different demands for the digital service channel. To gain more knowledge on the research topic it is suggested to make further studies for other geographical areas.

It is said that customer service is undergoing a disruptive era because of technology that can outperform even more demanding customer service tasks. This research showed that even though digital service channel can fulfill many customer needs, some even better than personal customer service, it does not replace it. Personal customer service offers empathy and compassion and above all is able to solve more complex issues. All the interviewed customers thought that the channels complement one another and many of the customers explicitly stated that they do not want to let go of personal customer service contacts. Both channels are thus needed to form a solid, unified service experience for customers.

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Appendix 1

EXAMPLE CONTACT EMAIL IN FINNISH

Hei *Asiakkaan nimi*

Sain yhteystietosi kollegaltani *Asiakaspalvelijan nimi* ja olen sinuun yhteydessä kysyäkseni kiinnostustasi osallistua asiakastyytyväisyystutkimukseen.

Olen suorittamassa ylempää ammattikorkeakoulututkintoa, jonka opinnäytetyötäni haastattelen asiakkaita heidän tyytyväisyydestään ja tarpeistaan koskien UPM:n eri palvelukanavia. Olen työskennellyt UPM:n Tampereen yksikössä yhdeksän vuotta, joista viimeiset neljä vuotta asiakaspalvelussa.

Haastattelut nauhoitetaan ja kirjoitetaan puhtaaksi. Haastattelu kestäisi enintään tunnin ja tekisin sen mielelläni teidän tiloissa ellette toisin pyydä? Kaikki vastaukset käsitellään nimettöminä.

Löytyisikö kalenteristasi lähiviikkoina tunti aikaa haastattelulle? Käytännön kokemuksesi ja näkemysesi ovat arvokasta tietoa palveluiden kehityksessä.

Ystävällisin terveisin
Erika Harjumäki
puhelinnumero

Appendix 2 /1

DETAILED INTERVIEW TEMPLATE IN FINNISH

HAASTATTELU

ESITTELYT – minä, tutkimus, tutkittava yritys 10mins

Tervehdykset, tutkijan esittely (tausta UPM:llä)
Tutkimuksen esittely

- Asiakastyytyväisyystutkimus koskien eri palvelukanavia (henk.koht vs. digitaalinen)

Haastattelu nauhoitetaan ja kirjoitetaan puhtaaksi opinnäytetyö tarkoitukseen / laadun tarkkailu
Vastaukset käsitellään anonyymisti, yhtiö X
Kerro lyhyesti yrityksestä? Mikä on oma roolisi siinä? Mikä on yrityksesi tyypillinen liiketoimi / prosessi?

TEEMAT 30-40mins

1 – Henkilökohtainen asiakaspalvelu 15min

Tiedätkö kehen olet yhteydessä jos sinulla on jotain kysyttävää? Kuinka monta eri yhteyshenkilöä sinulla on?
Tiedätkö kuka on henkilökohtainen asiakaspalvelijasi? Tiedätkö kuinka ottaa häneen yhteyttä? Onko se helppoa? Osaako hän auttaa sinua kysymyksissäsi? Onko yhteistyönne sujunut hyvin? Onko helppoa olla yhteydessä asiakaspalvelijaan maililla / puhelimitse?
Saatko vastaukset riittävän nopeasti? Mitä mieltä olet tiimisähköpostista?
Ohjaako asiakaspalvelu katsomaan asian COLista?
Onko jotain muuta mitä haluaisit sanoa henkilökohtaisesta asiakaspalvelusta?

2 – Digitaaliset kanavat 15 min

Kuinka kauan olet käyttänyt COLia? Kuinka kuvailisit COLin käyttöäsi? Kuinka usein ja mitä tehdäksesi?
Käytätkö kaikkia moduuleja? Osaatko käyttää kaikkia moduuleja? Mihin niitä käytät (tilaukset, varasto, laskut)
Osaatko muokata COLin näkymiä? Oletko saanut riittävästi koulutusta COLin käyttöön? Tarvitsisitko lisää koulutusta?
Syötätkö eTilauksia? Mitä mieltä olet siitä?
Onko tarvetta/apua COLin mobiili appille? Esim tabletti, älypuhelin
Miten näet COLin käytettävyyden? Onko hitaus ikinä estänyt tehtävän tekemistä COLissa? Onko mikään toiminta epälooginen, mahdoton suorittaa?
Kuinka tärkeää on saada 24/7 palvelua?
Oletko ikinä käyttänyt UPM:n kotisivuja? Setifikaatti finderia? Paperikataloogia? Onko sisällöt relevantteja sinulle?
Koetko tarvetta chat botille?
Onko muuta mitä haluaisit sanoa UPM:n digitaalisista palvelukanavista?

Appendix 2 /2

3 – Asiakkaan tarpeet 10min

Millasia palvelua oletat saavasi? Mitä palveluita tarvitset? Arvostat?
Mikä on tärkein ominaisuus paperintoimittajalta? Yrityksellesi? Suhteessa teidän asiakkaisiin?
Mikä auttaisi sinua tekemään työsi paremmin/nopeammin/helpommin?
Onko vihreät arvot tärkeitä yrityksellesi?
Mikä on kriittisintä/tärkeintä omalle liiketoiminnallesi / prosessille?

Mistä mieluummin katsoisit seuraavat asiat COL / cuse?
Paras toimituspäivämäärä
Suunnitellut toimitukset
Tilausvahvistus
Lasku
ISO / Eco -sertifikaatti paperilaadulle tai tehtaalle

LOPETUS 5mins

Onko vielä jotain mitä haluaisit kertoa UPM:stä paperintoimittajana tai UPM:n palvelukanavista?
Kiitos

Appendix 3

INTERVIEW SUBJECT THEMES TEMPLATE IN FINNISH

Asiakas:
PROSESSI:

HENKILÖKOHTAINEN ASIAKASPALVELU 15min
Yhteyshenkilö:

Laatu / Nopeus / Saatavuus:

Ohjaako COL:

DIGITAALISET KANAVAT 15min:
Oma käyttö (sis. moduulit):

eOrderit:

Muokkaus / koulutus:

Käytettävyys /nopeus / loogisuus:

Muut digitaaliset palvelut (mobiili, UPM kotisivut, sertifikaattifinder, Paper Catalogue, chat):

ASIAKKAAN TARPEET & ARVOT 10min:
Odotukset palveluille (työ helpompaa, ominaisuudet paperintoimittajalta):

Vihreät arvot:

Kriittisimmät pisteet liiketoiminnalle:

Mistä mieluummin katsoisit seuraavat asiat COL / cuse?
Paras toimituspäivämäärä
Suunnitellut toimitukset
Tilausvahvistus
Lasku
ISO / Eco -sertifikaatti paperilaadulle tai tehtaalle